STOCK EXCHANGE ANNOUNCEMENT

11 November 2015

OUTSTANDING DFS OPTIMISATION STUDY RESULTS

Bannerman Resources Limited (ASX|BMN; TSX|BAN; NSX|BMN) and its independent technical consultants (primarily AMEC Foster Wheeler and Optiro Pty Ltd) have completed an Optimisation Study ("OS") on the geological modelling and mine planning aspects of the Etango Definitive Feasibility Study ("DFS"), which was completed in April 2012. The OS also reflects updated capital and operating cost estimates.

Key outcomes of the OS (at a life-of-mine price of US$75/lb U_3O_8):

- **Project net present value ($NPV_{8\%}$) of US$419M** (previously US$69M).
- **Post-tax internal rate of return ("IRR") of 15%** (previously 9%).
- Average annual production of 7.2Mlbs U_3O_8 over an initial 15.7 year open pit mine life;
  - **9.2Mlbs U_3O_8 per annum over the first five full production years** (previously 7.9Mlbs).
- Average life-of-mine cash operating costs of US$38/lb U_3O_8 (reduced 17%);
  - **US$33/lb U_3O_8 over the first five full production years** (reduced 20%).
- Pre-production capital of US$793M including mining fleet (reduced 9%).
- **Rapid payback from first production (4.4 years)** and initial mine life to payback ratio of 3.6 times.
- Total operating cash flow of US$3.7B before capital and tax, and free cash flow of US$1.6B after capital and tax. From production commencement, average annual operating cash flow of US$236M and free cash flow of US$150M. **Peak annual free cash flow of US$392M.**
- Potential upside from heap leach demonstration plant results and other identified opportunities still to be incorporated via additional optimisation work.

A detailed summary of the OS results is set out in the attachment to this release. In accordance with Canadian technical reporting requirements, it is noted that Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

A NI 43-101 report on the OS will be filed in accordance with the requirements.

Bannerman Chief Executive Officer, Len Jubber, said:

"The Optimisation Study has strongly repositioned Etango, demonstrating project economics that are highly competitive at consensus incentive long term uranium prices. Importantly the work has also confirmed the technical robustness of the DFS. When coupled with the success of the heap leach demonstration plant, the Optimisation Study clearly places Etango at the forefront of the global development pipeline of projects likely to produce at or above 2Mlbs U_3O_8 per annum."

"The outstanding improvements in key project metrics reflect the sustained and diligent professionalism of the Bannerman technical team and independent consultants. The favourable demonstration plant results and unconverted mineral resources deliver considerable potential to further enhance the economics and longevity of the Etango project."

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"Importantly, Bannerman has now established a sound project platform for extensive engagement with the global nuclear industry. The technical and financial credibility that comes with Etango's advanced stage of study will be of critical benefit to Bannerman during this educating and marketing process. Moreover, at a time when most uranium projects are subject to lengthy and uncertain permitting timeframes, it is comforting to be operating in Namibia where 3 major uranium mines have been permitted and largely constructed during the past 10 years."

"With the growing debate around climate change and the commitment of major players such as the USA and China to reducing greenhouse gas emission, nuclear energy as a baseload electricity source, is expected to have a central role in meeting the growth of future energy needs. Whilst wind and solar energy will no doubt have a role to play, there is no substitute for more nuclear energy when targeting significant reductions in emissions and increases in overall energy supply."

"We will continue to move the Etango project forward in a professional manner, looking to capitalise on its advanced project status and early mover advantage into the consensus forecast improvement in uranium market activity and pricing."

Len Jubber
Chief Executive Officer

Cautionary Statement: *This announcement has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules. Whilst Bannerman has concluded that it has a reasonable basis for providing the forward looking statements included in this announcement, Bannerman advises that given the current price of U_3O_8 and the company's current market capitalisation (compared to the capital expenditure required in connection with the Etango project), the production targets and forecast financial information contained in this announcement do not provide an assurance of economic development at this stage. The stated production target and forecast financial information contained in this announcement is based on Bannerman's current expectations of future results or events and should not be relied upon by investors when making investment decisions.*

Conference Call

Len Jubber (Managing Director and CEO) will host a conference call to discuss the Company's recent activities at **9.00am Australian Eastern Daylight Time ("AEDT") on Thursday 12th November 2015**.

The conference call includes Q & A participation. Please dial in five minutes before the conference starts and provide your name and Conference ID.

Conference ID: 675198

Dial-in numbers:

- Australia: 1 800 558 698
- Australia: 02 9007 3187
- China: 4001 200 659
- Canada 1855 8811 339
- Hong Kong: 800 966 806
- Singapore: 800 101 2785
- United Kingdom: 0800 051 8245
- United States: (855) 881 1339

A recording of the conference call will be available on the Company's website later in the day.

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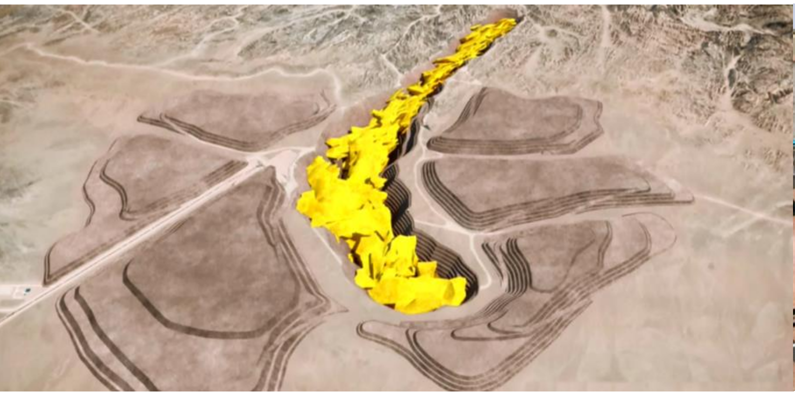
About Bannerman *- Bannerman Resources Limited is an ASX, TSX and NSX listed exploration and development company with uranium interests in Namibia, a southern African country which is a premier uranium mining jurisdiction. Bannerman's principal asset is its 80%-owned Etango Project situated near Rio Tinto's Rössing uranium mine, Paladin's Langer Heinrich uranium mine and CGNPC's Husab uranium mine currently under construction. A definitive feasibility study has confirmed the technical, environmental and financial (at consensus long term uranium prices) viability of a large open pit and heap leach operation at one of the world's largest undeveloped uranium deposits. In 2015, Bannerman is conducting a large scale heap leach demonstration program to provide further assurance to financing parties, generate process information for the detailed engineering design phase and build and enhance internal capability. More information is available on Bannerman's website at www.bannermanresources.com.*

Etango Uranium Project
Optimisation Study
November 2015




BACKGROUND

Bannerman currently owns an 80% interest in Bannerman Mining Resources (Namibia) Pty Ltd which in turn owns 100% of the Etango project. The projected is located within the Erongo region of Namibia which also hosts the operating Rössing (Rio Tinto) and Langer Heinrich (Paladin Energy) uranium mines and the Husab uranium project, which is currently being developed by China General Nuclear Power Corporation.

The project area is approximately 40 km east of the regional town of Swakopmund and approximately 50km northeast of the deep water port at Walvis Bay.

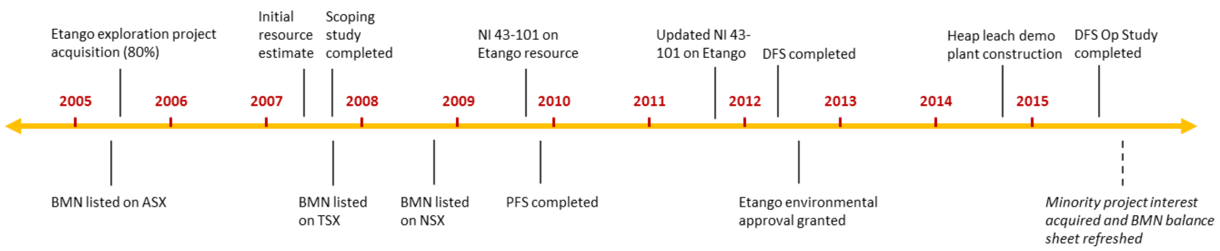
Uranium mining is well established in Namibia and has been undertaken since 1976. The country is currently the 5th largest uranium producer in the world and is expected to become the 3rd largest post commissioning of the Husab project in 2016.

Exploration at the Etango project was commenced in 2006 followed by the Scoping Study in 2007, PFS in 2009, PFS Update in 2010 and DFS in 2012. The focus of the DFS was to confirm the viability of the lower capital intensity and lower operating cost heap leaching approach on the Etango deposit. This was successfully confirmed through the 4 year metallurgical program conducted leading up to completion of the DFS and more recently during the Heap Leach Demonstration Plant Program which is still ongoing. In turn the DFS Optimisation Study has focussed on the geology and mining aspects of the project coupled with updates of the operating and capital cost estimates.

It is important to note that the Optimisation Study does not incorporate the favourable results currently arising from the Heap Leach Demonstration Plant program. It is planned that results from the demonstration plant program will be fully evaluated in a processing review to commence in the March 2016 Quarter.

On 11 November 2015 Bannerman announced that the company had, subject to certain conditions being satisfied including shareholder approval and the renewal of EPL 3345, entered into various agreements to gain 100% ownership of the Etango Project, eliminate the existing A$12 million corporate debt and raise net A$4 million to fund the operation of the heap leach demonstration plant program and corporate working capital requirements. The proposed elimination of the debt through part conversion into Bannerman shares and the issuance of a royalty will result in a 1.5% gross revenue royalty on the future gross revenue derived from the Etango Project.

As these negotiations were conducted after the mine planning was done for the optimisation study the 1.5% gross royalty was not included in aspects of the mine planning (such as pit optimisation). However, the royalty has been taken into consideration in the financial modelling of the Optimisation Study. The difference is not considered to have a material effect on the core mine planning work.



KEY OUTCOMES

The key outcomes of the OS on the Etango Uranium Project include:

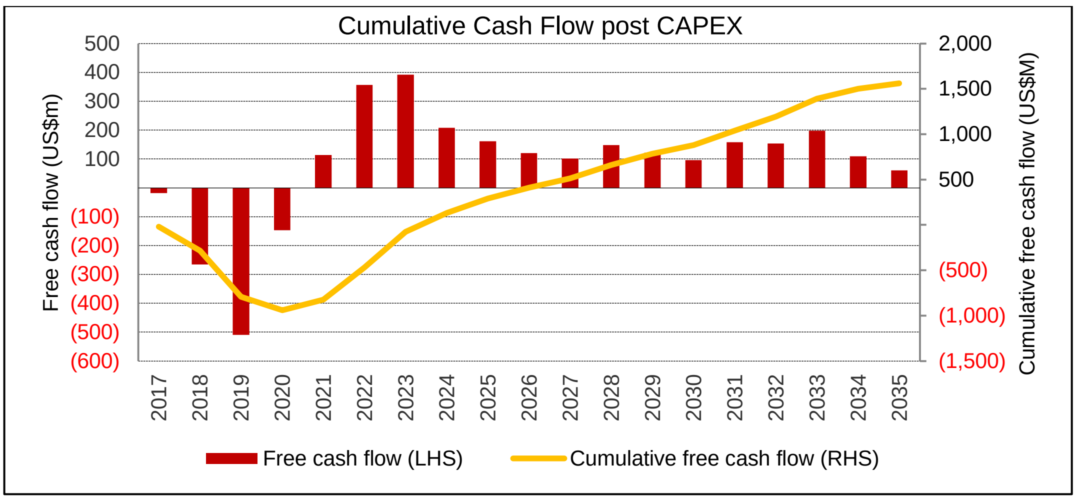
Table 1 – Key Outcomes of Etango Project DFS Optimisation Study

Item	Units	DFS Optimisation Study	Definitive Feasibility Study	% Change
Base Case Uranium Price	US$/lb U_3O_8	**75**	75	-
Mine Life	Years	**15.7**	15.0	4%
Total Mined Ore	Mt	**303**	280	8%
Life-of-mine stripping ratio	Waste : Ore	**2.78 : 1**	3.34 : 1	-17%
Annual Processing Throughput	Mt of ore	**20**	20	-
Processed grade	ppm U_3O_8	**195**	194	-
Processed grade (First 5 years of full production)	ppm U_3O_8	**241**	207	+16%
Processing recovery	%	**86.9**	86.9	-
Ave. Annual Production for first 5 full production years	Mlbs U_3O_8 pa	**9.18**	7.92	+16%
Average Annual Production (U_3O_8)	Mlbs U_3O_8 pa	**7.20**	6.90	+4%
Life-of-mine Production (U_3O_8)	Mlbs U_3O_8	**113**	104	+9%
Pre-production Capital Expenditure	US$ million	**793**	870	-9%
Sustaining Capital Expenditure	US$ million	**282**	381	-26%
Average Cash Operating Cost for first 5 years	US$/lb U_3O_8	**33**	41	-20%
Average Cash Operating Cost for life-of-mine	US$/lb U_3O_8	**38**	46	-17%
Net Present value (8%)	US$ million	**419**	69	+511%
Internal Rate of Return (at Base Case price)	%pa, post-tax	**15%**	9%	+66%
Net cash flow breakeven uranium price	US$/lb U_3O_8	**52**	61	-15%
Payback (from first production)	Years	**4.4**	6.0	-27%

Operating cost includes all mining, processing, on-site and off-site infrastructure and general/administrative costs and excludes royalties (3% Government royalty and third party royalties) and freight and selling-related costs (together approximately US$1.10/lb) which, in accordance with industry accounting standards, are deducted from revenues for economic modelling purposes.

Figures are presented in US$ in real terms assuming a base date of the December 2011 quarter for the DFS and July 2015 for the OS, unless otherwise stated. Economic results reflect 100% ownership of the Etango Project ignoring financing structure.

The chart below presents the annual and cumulative projected free cash flow for Etango over its initial 15.7 year mine life.



MINERAL RESOURCE AND ORE RESERVE[1]

Introduction

The primary uranium mineralisation at Etango is confined to leucogranites, locally referred to as alaskites. These are often sheet-like and predominantly occur as bedding-parallel bodies which dip at between 15 and 40 degrees to the west. The individual sheets may merge to form larger composite plutons or alaskite stockworks. The Etango mineralisation wraps around the southwestern flank of the Palmenhorst Dome, which is cored by Mesoproterozoic rocks (1.7 to 2.0 Ga in age).

Uranium mineralisation occurs exclusively in alaskite, although metasediment/alaskite complexes at the fringes of the main alaskite bodies can be strongly mineralised where alaskite stringers interfinger surrounding rocks. Not all of the alaskite is mineralised, and six types of body have been identified, with two (types D and E) hosting the bulk of the known uranium mineralisation. The primary uranium mineralisation occurs as microscopic disseminations throughout the alaskite as inclusions within other minerals and at crystal interfaces. The dominant primary uranium mineral at Etango is uraninite (UO_2). There is no evidence for any discrete enrichment or depletion zones in any uraniferous minerals over any part of the Etango deposit.

Bannerman has completed a total of 945 RC (215,480m), 137 diamond (37,392m) and 21 RAB (1,875m) drillholes, for a total of approximately 254,747m, in the vicinity of the Etango Project. This drilling provided the geotechnical, hydrological, structural, lithological and uranium grade data over the Anomaly A, Oshiveli and Onkelo prospects and the plant site area that are the subject of this resource update.

The Drilling programmes carried out by Bannerman since 2006 have been subject to best practice geological control, including collar surveys and downhole deviation surveys using both single shot and multiple shot cameras.

Samples were obtained using both reverse circulation (RC) and diamond drilling (DD) methods. RC drill samples were collected off the rig cyclone in large plastic bags at 1m intervals. The 1m sample was split in the field by Bannerman staff using a 75/25 riffle splitter. The 75% sample was placed into a bulk sample bag from which rock chip samples were taken and placed into a chip tray for logging by the geologist. The primary sample sent to the laboratory was obtained by splitting the 25% sample until a sample of approximately 500g to 1kg was obtained. A count per minute (CPM) reading was taken from this sample using a handheld scintillometer and recorded along with the sample condition (wet, dry, and moist). If the bulk sample was wet, a spear sample was taken. Intervals of recovered samples selected for analysis, were based on alaskite lithology or intersections in non-alaskites that had a CPM greater than 300.

Diamond drill core was placed in core trays after drilling and taken to the Bannerman core logging and storage facility on site at Etango, where it was orientated, measured, logged and marked for sampling by the staff geologist. Sample intervals were determined by the geologist after logging. The sample lengths were nominally 1m; however, samples lengths ranging from 0.5 to 1.49m were selected where a lithological boundary was intersected. No sampling was undertaken across lithological boundaries.

A full QAQC programme, including the use of field, diamond core and pulp duplicates and certified standards, has been implemented by Bannerman. Assays used in resource estimation are a combination of pressed pellet X-ray fluorescence analyses and radiometric probe readings. Eight pairs of twinned diamond-RC holes have drilled by Bannerman since 2006 and assays compare favourably between the paired holes.

Mineral Resource Estimate

The 2015 Mineral Resource update for Etango has evolved considerably from the previously reported (October 2010) estimate, which was the basis of the DFS. The model incorporates an additional 3,419m of drilling across the deposit. Uranium mineralisation has been defined inside grade envelopes by categorical indicator kriging using a lower cut-off grade of 50ppm U_3O_8 and lithological constraints.

In addition to the change in estimation approach, the update considered the relevant operational aspects associated with open pit uranium mining, most notably the established practice of radiometric haul truck scanning as a means of discriminating between ore and waste material at the haul truck payload level. This practice which is unique to uranium mining due to the ability to measure the gamma radiation associated with the mineralisation has been very effectively implemented at the Rössing and Ranger uranium mines.

[1] This report uses the term Ore Reserves consistent with the Australasian Code for Reporting of Exploration Results, Mineral Resources. For the purpose of this report Mineral Reserves are equivalent to Ore Reserves.

In order to model this high selectivity, a Uniform Conditioning (UC) estimation approach has been adopted. This is a recoverable resource estimation technique based upon ordinary kriging into large blocks (panels) which seeks to predict the resources available at the time of mining using the assumption of a selective mining unit (SMU) related to the production rate and equipment.

The uniform conditioning approach effectively determines a tonnage-grade curve of smaller volumes (SMU scale) within the larger mining panel consistent with the mining method and the use of a radiometric truck scanner. In the context of the Etango project this approach simulates the range of grades that would be presented to the truck scanner for each larger mining block.

The cut-off grade for the Etango Mineral resource was reduced to 55ppm to be consistent with the Ore Reserves cut-off grade.

The Mineral Resource has been classified into Measured, Indicated and Inferred categories on the basis of geological and grade continuity, drillhole spacing and estimation quality. The Measured category was applied to blocks which were informed either in pass one or two, where the drill spacing was 25m x 25m or 25m x 50m, and where the slope of regression statistic was generally greater than 0.9. The Indicated category was applied to blocks estimated in the first or second pass, where the drill spacing was nominally 50m x 50m or 100m x 100m, where the grade tenor was moderately consistent and where the slope of regression was between 0.3 and 0.9. Any material which did not meet the criteria for Measured or Indicated was allocated to the Inferred category, apart from extrapolated or laterally-extensive mineralisation which was set to potential using a number of 'unclassify' solids.

The November 2015 Etango Project Mineral Resource Estimate (summarised in the table below) was incorporated in the Optimisation Study. The estimate includes an updated resource estimate of the Etango deposit prepared by Optiro whilst the estimates for the Ondjamba and Hyena deposits remain unchanged from that announced in October 2010. The estimate comprises the following:

Table 2 - Etango Project DFS Optimisation Study Mineral Resources (November 2015)

Mineral Resource Nov 2015		**Measured**			**Indicated**			**Inferred**		
Deposit	**Cut Off Grade** (U_3O_8 ppm)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)
Etango[2]	55	33.7	194	14.4	362	188	150.2	144.5	196	62.5
Ondjamba[3]	100							85.1	166	31.3
Hyena[4]	100							33.6	166	12.3
Total		**33.7**	**194**	**14.4**	**362**	**188**	**150.2**	**263.2**	**182**	**106.1**

Note 2: Refer to the Competent Persons Statement at the end of this document for further information on the Etango Mineral Resource Estimate. The Etango estimate has been reported in accordance with JORC 2012. The figures may not add due to rounding.

Note 3 & 4: Refer to the Competent Persons Statement at the end of this document for further information on the Ondjamba and Hyena Mineral Resource Estimates. The Ondjamba and Hyena estimates remain unchanged from the previous declaration and therefore have been reported in accordance with JORC 2004. The figures may not add due to rounding.

The Etango Project Mineral Resource estimate is reported inclusive of Ore/Mineral Reserves (refer to the next section) and in accordance with the standards and guidelines in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code 2012) and the Canadian National Instrument 43-101. It is noted that Mineral Resources which are not Mineral/Ore Reserves do not have demonstrated economic viability.

Further details on the basis on which the Etango Mineral Resource Estimate has been compiled are contained in Sections 1-3 of the accompanying JORC 2012 Table 1.

The October 2010 Etango Project Mineral Resource estimate incorporated in the 2012 DFS is presented below for comparative purposes.

Table 3 - Etango Project DFS Mineral Resources (October 2010)

Mineral Resource Oct 2010		Measured			Indicated			Inferred		
Deposit	Cut Off Grade (U_3O_8 ppm)	Tonnes (Mt)	Grade (U_3O_8 ppm)	In-situ U_3O_8 (Mlbs)	Tonnes (Mt)	Grade (U_3O_8 ppm)	In-situ U_3O_8 (Mlbs)	Tonnes (Mt)	Grade (U_3O_8 ppm)	In-situ U_3O_8 (Mlbs)
Etango	100	62.7	205	28.3	273.5	200	120.4	45.7	202	20.3
Ondjamba	100							85.1	166	31.3
Hyena	100							33.6	166	12.3
Total		**62.7**	**205**	**28.3**	**273.5**	**200**	**120.4**	**164.4**	**176**	**63.9**

The Mineral Resource estimate was reported at a cut-off grade of 100ppm U_3O_8. Refer to the Competent Persons Statement at the end of this document for further information. Figures may not add due to rounding.

The table below sets out the key changes in the October 2010 and November 2015 Mineral Resource parameters:

Table 4 – Comparison of Key Mineral Resource Parameters

Parameter	Mineral Resource Estimate November 2015	Mineral Resource Estimate October 2010
Approach	Recoverable resource that considers mining dilution.	Mining dilution considered in mine planning.
Methodology	Ordinary Kriging followed by Localised Uniform Conditioning (LUC)	Ordinary Kriging (OK)
Delineation of mineralised zones	Grade shell models, taking into account the distribution of both mineralisation and host lithology, generated using a categorical indicator kriging approach based upon a 50ppm U_3O_8 cut-off grade.	Manual wire framing of mineralised envelopes utilising a 75ppm cut-off grade.
Cut-off grade	55 ppm – aligned with Ore Reserve. Cut-off grade calculated as the mill limiting cut-off as discussed in the accompanying JORC Table 1.	100 ppm
Block size	Estimated to 25mE x 25mN x 8mRL and uniform conditioned to 6.25mE x 12.5mN x 4mRL – selected to target the required SMU size associated with radiometric truck scanning.	Estimated directly into 25mE x 25mN x 10mRL sub-celled to 6.25mE x 6.25mN x 1mRL.
Resource constraint	Constrained by USD 75/lb U_3O_8 Whittle Shell.	No constraint.

Ore Reserve Estimate

Bannerman has updated the Ore Reserve following completion of the following work:

- Updating the Mineral Resource model (as detailed above),
- Updating the operating cost estimates,
- Updating the capital cost estimates, and
- Updated mining studies including revised open pit designs (including geotechnical review) and mine schedules.

The updated Ore Reserve of 303.3Mt at 195ppm for 130.1Mlbs U_3O_8 consists of 11% Proved Reserves and 89% Probable Reserves as tabulated below. The Proved Ore Reserves is a sub-set of Measured Mineral Resources, and the Probable Ore Reserve is derived from Indicated Mineral Resources. Inferred resources were treated as waste with no economic contribution to the project. No Measured Resources were downgraded to Probable Ore Reserves due to uncertainty in modifying factors. Consequently Proved Reserves is based on drill spacing of 25m x 25m or 25m x 50m and Probable Reserves are based on drill spacing of nominally 50m x 50m or 100m x 100m.

The accuracy and confidence of modifying factors are generally consistent with feasibility level accuracy with many of the technical factors remaining unchanged from the previous Definitive Feasibility Study. The capital cost estimate updates for the fixed plant was done to an accuracy of ±20% which is consistent with a Pre-Feasibility study level of accuracy (typically -15% +25%).

The Ore Reserve was completed by Bannerman Resources following input from independent consultants as detailed in the JORC Table 1.

The Ore Reserve estimate represents a 77% conversion rate from Measured and Indicated Resources.

Table 5 - Etango Project DFS Optimisation Study Ore Reserves (November 2015) as at 1 November 2015

Ore Reserve Nov 2015	Proved			Probable			Total		
Deposit	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)
Etango	32.3	196	14	271	195	116.1	303.3	195	130.1

Figures may not add due to rounding.

The November 2015 Ore Reserve was estimated in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012) and the Canadian National Instrument 43-101 using a cut-off grade of 55ppm U_3O_8, a processing recovery of 86.9%, a metal price of US$75/lb U_3O_8 and the OS cost estimates outlined herein.

The metallurgical process together with the associated technical parameters remains unchanged from the DFS. Initial phases of large column (30t cribs) leach test work support these assumptions. Further details on the basis on which the Ore Reserves has been estimated are contained in Section 4 of the accompanying JORC Code 2012 Table 1 appendix.

The maiden April 2012 Etango Project Ore Reserve estimate of 279.6Mt at 194ppm for 119.3Mlbs U_3O_8 is tabulated below for reference.

Table 6 - Etango Project DFS Ore Reserves (April 2012) as at 1 November 2015

Ore Reserve Apr 2012	Proved			Probable			Total		
Deposit	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)	**Tonnes** (Mt)	**Grade** (U_3O_8 ppm)	**In-situ U_3O_8** (Mlbs)
Etango	64.2	194	27.4	215.3	193	91.8	279.6	194	119.3

Figures may not add due to rounding.

The table below sets out the key changes in the maiden 2012 Ore Reserve and the 2015 Ore Reserve parameters:

Table 7 – Comparison of Key Assumptions for Ore Reserves

Parameter	Ore Reserve Estimate November 2015	Ore Reserve Estimate April 2012
Resource model	Nov 2015 recoverable Localised Uniform Conditioning resource model.	October 2010 Ordinary Kriged resource model.
Economic cut-off grade	55 ppm – based on the mill limiting cut-off grade, reduced to more effectively exploit the deposit.	70 ppm.
SMU	6.25mE x 12.5mN x 4mRL – scaled to account for dilution associated with the mining method.	6.25mE x 6.25mN x 4mRL following the regularisation of the 6.25mE x 6.25mN x 1.25mRL sub-blocks.
Mining loss & dilution	SMU scaled to include dilution during the resource estimation.	2.6% and 4.9%.
Strip ratio	2.78:1 – reduced as a result of changes in the cut-off grade and pit design.	3.34:1.
Processing recovery	86.9% – aligns with the recovery estimate incorporated in the DFS financial model.	84% during pit optimisation. 86.9% for mine schedule and financial model.
Mining cost	US$1.69 per tonne mined – reflects the change in crude oil price, explosives and other mining consumables as in 2015.	US$ 1.97 per tonne mined.
Processing cost	US$6.79 per tonne processed - reflects lower reagent, consumable and maintenance costs offset by increased water and electricity costs as in 2015.	US$7.15 per tonne processed.
General & Admin Cost	US$ 18.6M per annum reflecting updated exchange rates and human resources costs.	US$ 21.8M per annum.

MINING

The conventional open pit mining operation comprising 550 tonne hydraulic back-hoe excavators and 220 tonne diesel/electric haul trucks coupled with drilling and blasting on 12 metre benches and mining on 4-4.5 metre flitches to minimise ore dilution, remains unchanged from the DFS.

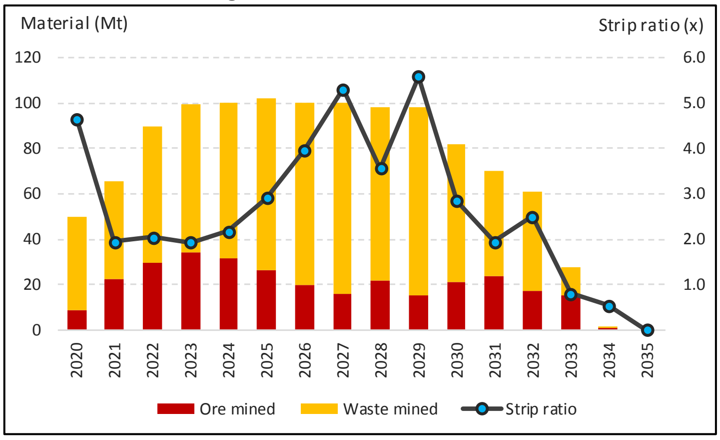
The study re-optimised the pit utilising the updated resource model and costs. The geotechnical and metallurgical parameters remained unchanged from the DFS. The pit optimisation assumed a price of US$75/lb U_3O_8 and a discount rate of 8%. No further dilution and mining loss were applied to model as the SMU (of 6.25 m E by 12.5 m N by 4 m RL) utilized in the model is greater than the proposed mining method selectivity utilizing radiometric truck scanning. The ratio of SMU to truck size corresponds well with what neighbouring and other open pit uranium mines that employ this technique as reported in the literature.

Practical pit designs were completed which was used in conjunction with the DFS waste dump designs to produce an optimal mine schedule. The geotechnical parameters applied during the mine design process was based on a detailed geotechnical study conducted by Coffey mining in 2012 as part of the DFS and which was informed by 26 geotechnical drill holes drilled to collect rock quality and structural data. The resultant geotechnical recommendations are suitable for implementation at DFS level of reliability with inter ramp slope angles ranging from 39.8° to 52.8°.

The mill limiting cut-off grade for the project was calculated based on the following economic parameters; processing cost, selling cost, G&A costs, government royalty, U_3O_8 price and metallurgical recovery. The resultant cut-off grade used for ore reserve estimation was 55ppm U_3O_8 with the lower cut-off grade (from 70ppm to 55ppm) driven primarily by more favourable economics. The lowering of the cut-off grade together with the change in pit design has resulted in a 15% decrease in the stripping ratio to 2.78 to 1. The Etango deposit outcrops at surface and, as a result, processing commences within three months of mining. The open pit has a maximum depth of approximately 390 metres below surface.

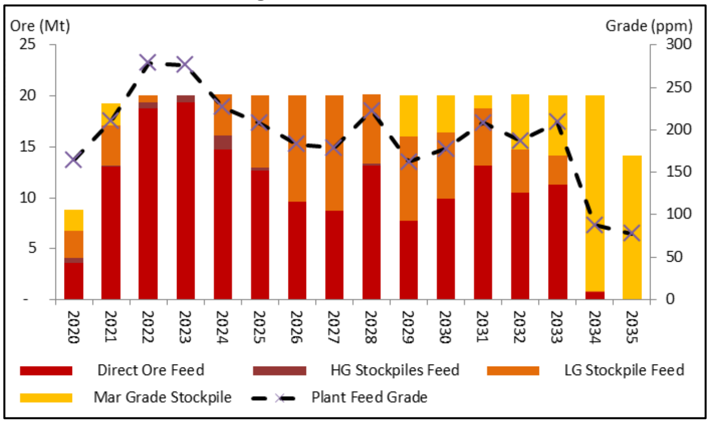
The waste dumping strategy and design were largely left unchanged from the DFS. As a result of the change in pit design and strip ratio less waste dumping capacity is required. One of the waste dumps was slightly reduced in size to allow for the larger ripios dump required to accommodate the increase in ore processed. The resulting production schedule is shown below in Figure 1.

Figure 1 - Material Movement



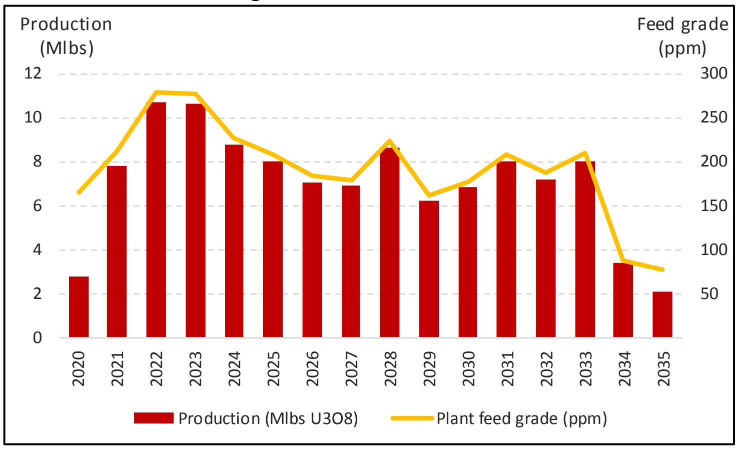
A variable cut-off grade strategy was adopted to increase the head grade during the early years of production (logically coinciding with a typical project loan repayment period). This results in stockpiling of 40Mt of lower grade ore (denoted LG Feed and Mar Grade Feed in Figure 2) for processing at the end of the mine life. Mine production ramps up from approximately 50Mt per annum in the first year to reach approximately 100Mt in the fourth year of production. The selected mining rates allow for a high ore tonnage in the initial four years of production which allows for an increase in the cut-off grade during the initial year.

Figure 2 – Crusher Feed



This allows for delivery of a higher head grade to the metallurgical plant with a consequent increase in metal production in the early years of operation as shown below in Figure 3.

Figure 3 - Metal Production



The production target detailed above is solely based on ore reserves, comprising 32 Mt Proved Reserves at 196 ppm U_3O_8 and 271Mt Probable Reserves at 195 ppm U_3O_8. The production target does not contain any inferred resources and/ or exploration targets.

PROCESSING

During the DFS an extensive metallurgical test campaign was undertaken comprising of:

- Mineralogy analysis utilizing SEM/EDS and QEMSCAN
- Comminution characterization including UCS, Bond (Crushing index, Ai test, RWi test, BWi test), JK (DWi, SMC) and dedicated High Pressure Grinding Roll (HPGR) testing.
- Column leach testing including column leach variability testing and diagnostic testing.
- Geotechnical testing of leach residue,
- Solvent extraction test work,
- Miscellaneous testing such as chloride analysis.

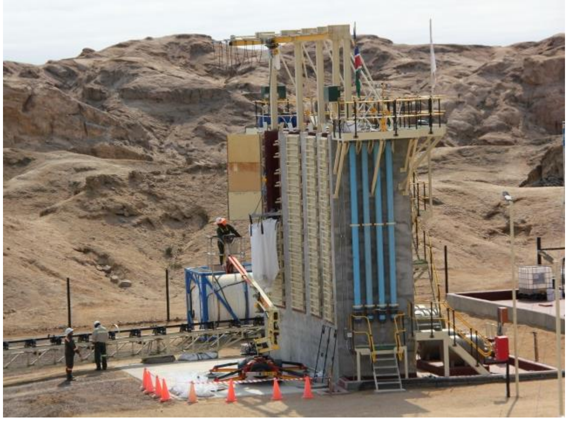
The above mentioned tests were based on samples obtained from HQ core (28 holes were drilled specifically for metallurgical characterization purposes) together with ½ NQ core and ¼ NQ core retained for variability testing.
Column leach testing was based on a 15 392 kg composite sample obtained from 17 HQ drill holes across the deposit. Column leach variability testing was based on a composite of 479 kg of samples from 45 drill holes across the deposit.

On 15 July 2015 Bannerman reported the following highlights from Phase 1 of the Heap Leach Demonstration Plant Program:

- Fast and high leach extraction on a 121.6 tonne sample – within 20 days average total leach extraction of 94% for the cribs (not previously conducted) and 93% for the columns (similar to that achieved in previous laboratory testing)
- Further enhanced project knowledge – designed, permitted, constructed and successfully commissioned large scale demonstration plant
- Low sulphuric acid consumption – on average less than 16kg/tonne (compared with DFS projection of 18kg/tonne)
- Favourable material characteristics – visual observations during the unloading of the cribs confirmed the uniform percolation through the material and integrity of the agglomerate
- The similar performance of the 4 larger scale (30t sample) cribs to the eight (200kg sample) columns may be an indication of potential upside related to the projection of the previous column testing results to the full scale heap leach pad performance in the DFS

The 18 – 24 month demonstration program, which commenced in April 2015, is specifically aimed at demonstrating the design and projected performance reflected in the DFS, further enhancing the project knowledge and pursuing value engineering. The results to date have already gone a significant way towards achieving these objectives. It is planned that the results from the demonstration plant program will be fully evaluated in a processing review to commence in the March 2016 Quarter.

The photographs below show the overall plant layout including the 3,000 tonne sample and the close-up of the cribs and column leaching facility.

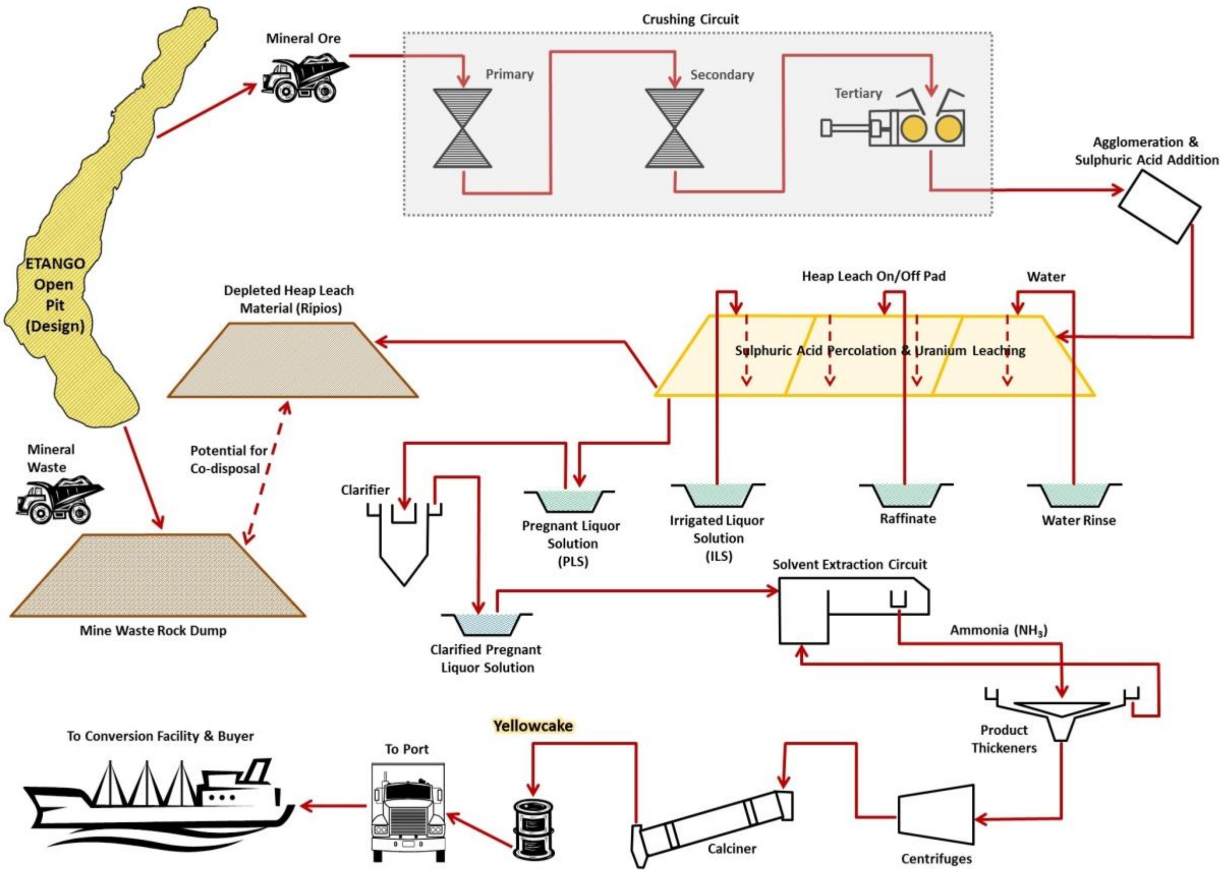


The results of the initial phases of the pilot plant test work confirmed the validity of the processing parameters which for purpose of this study remained as per the DFS including:

- Plant throughput of 20 Mt per annum.
- Metallurgical Recovery of 86.9%
- Sulphuric Acid consumption of 17.6 kg/t ore leached.

The Etango project is located in a well-established uranium mining district and the metallurgical process is, in general, a conventional uranium recovery circuit utilizing solvent extraction similar to other uranium mines in the area. The heap leaching aspect can be considered novel in the context of the mineral district. However, this aspect has been subjected to larger scale pilot plant testing as discussed above.

The metallurgical process comprises three stages of crushing, agglomeration, followed by sulfuric acid heap leaching on an industry standard on/off heap leach pad followed by solvent extraction and calcination. A simplified flow sheet is shown below.



Comminution

Ore is delivered to a gyratory primary crusher, followed by secondary cone crushing, and tertiary crushing by HPGR to produce the target P80 product size of 5.3mm.

Agglomeration and Stacking

Crushed ore is transferred to via fine ore bins to two agglomerating drums. Water, sulphuric acid and binder agent are added and the agglomerated ore is transferred to the heap leach stacking system. The stacking system comprises an overland conveyor and a fixed stacking conveyor with tripper to transfer ore to a stacking bridge supported on a crawler undercarriage. The maximum stacking height is 5m. The reclaim system is of similar design, fed by a bucket wheel excavator. The leached residue (Ripios) is transferred by overland conveyors to the Ripios stacking system.

Heap Leach Management

The heap leach pad is composed of a compacted sub-base layer, a low permeability clay impregnated geotextile lining and a HDPE liner. Draincoil piping rests on the HDPE layer and is overlain with fine and coarse drainage layers.

The ore is stacked in modules, where each module represents one day of stacking. The first three modules are designed for stacking, ore rest and dripper installation. The next 18 modules are irrigated with intermediate leach solution (ILS). The liquor from these modules produces the pregnant leach solution (PLS), which is pumped to the SX circuit for uranium recovery. The subsequent 18 modules are irrigated with raffinate solution, which drains to the ILS pond and is recirculated to the heap to build up uranium tenor. Thereafter there are 12 modules for draining and rinsing. Solution from these modules is recirculated to the rinse modules. The remaining five modules are spares and used for dripper removal and reclaiming.

The ponds are designed for a residence time of 6 hours for the raffinate, ILS, and PLS ponds, and 4 hours for the rinse water pond. An emergency pond is provided to contain 24 hours drainage from the heap and a 24 hour maximum rainfall event run-off. The construction of the ponds is a clay-impregnated geotextile low permeability base liner overlain by a double HDPE liner with a drainage net for leak detection. For the rinse pond, a single layer HDPE liner overlies the clay-impregnated geotextile layer.

Ripios Stacking

A tripper conveyor allows Ripios to be transferred to the Ripios pad shiftable conveyor and thence to the Ripios pad boom stacker that places the Ripios onto the unlined leach Ripios pad. Drainage from the Ripios pad is collected in the Ripios emergency pond and recycled to the heap leaching system. The pond has a double HDPE liner with drainage net in between for leak detection.

Solvent Extraction

PLS is pumped to a single train SX circuit which consists of two extraction, two scrubbing, four stripping, one organic regeneration and one crud removal stage. Bateman pulsed columns and/or conventional mixer/settlers are used for all contacting duties.

Precipitation, Calcination and Packaging

SX loaded strip liquor is pumped to the precipitation circuit where anhydrous ammonia raises pH to ~7, causing precipitation of ammonium diuranate (ADU) which is thickened, whilst barren liquor is clarified to remove suspended ADU solids.

ADU thickener underflow solids are dewatered further to remove soluble impurities, washed in centrifuges and then calcined. Calcined solids (U_3O_8) are discharged from the furnace and transferred to the product bin. From the product bin, U_3O_8 is measured into 200L steel drums and periodically loaded into 20ft sea containers for transport to customers.

INFRASTRUCTURE

Total installed power for the project is nearly 50MW. Power for the Etango site will be fed by NamPower (the national power utility) from the 220 kV national grid through its substation located at Kuiseb. A 29km 132kV transmission line from the Kuiseb substation to the project site will be constructed where a 132/33lV switchyard, transformer and 40MVA indoor substation will be installed.

Water for the Etango project will be supplied by NamWater. Total operating water consumption is estimated to be 4.72Mm^3/a. Regional water capacity comprise of 14 million m3/annum from regional aquifers and 20 million m3/annum from the Areva owned desalination plant. The Etango water scheme will comprise two pump stations. The above-ground pipe line will be 32 km long and 400mm in diameter.

The C28 gravel road from Swakopmund to Windhoek passes approximately 5km from the project. A 7km unsealed spur road will be constructed to link the existing road to the Etango site.

The Etango project is located in close proximity (73km by road) to Namibia's largest port utilized by neighbouring uranium mines to export their product.

A number of regional towns are located close to the Etango project including Swakopmund and Walvis Bay and represent the regional hubs servicing the Namibian uranium mining industry.

REGULATORY APPROVALS

The Etango Project Exclusive Prospecting Licence (EPL3345) is owned by the Namibian company Bannerman Mining Resources (Namibia) (Pty) Ltd (Bannerman Namibia). Bannerman owns 80% of Bannerman Namibia, while the remaining 20% is held by the project vendor.

EPL3345 was granted to Turgi with effect from 27 April 2006 to explore for Nuclear Fuels. Renewals have been granted extending tenure to 26 April 2015. An application for a further renewal was lodged on 26 January 2015 and is expected to be renewed in due course.

The delayed renewal is not deemed to be an issue as Regulation 71 (3) (a) from the Minerals (prospecting and Mining) Act (Act 33 of 1992) states "an exclusive prospecting licence shall not expire during a period during which an application for the renewal of such licence is being considered, until such application is refused or the application is withdrawn or has lapsed, whichever occurs first..." still applies.

EPL3345 is now 24 326 ha in size.

Bannerman has conducted extensive environmental studies including public consultation on the Etango project since 2008. Consultation with key stakeholders undertaken since 2008 include;

- newspaper adverts requesting comments on the project,
- public meetings (2008, 2009, 2010, 2011 and 2012) in the regional towns of Arandis, Swakopmund, Walvis Bay and the capital of Windhoek.
- meetings with regional and local government.
- focus group meetings (2008, 2009, 2010, 2011, 2012 and 2014) with the Coastal Tourism Association of Namibia and/or neighbours.

An Environmental and Social Impact assessment, reflecting the project detailed in the DFS was submitted in April 2012. Environmental clearance for the project, valid for three years, was subsequently granted in July 2012. An application for renewal of the environmental permit was made in July 2015 and is expected to be granted in due course. Environmental clearance for linear infrastructure, valid for three years, was granted in February 2013.

CAPITAL COSTS

The project design continues to aim at maximising the efficiency of the mining and processing operations given the large material movement. The capital cost estimates reflect simple unit operations and industry-standard availabilities and utilisation rates of installed equipment. Compared with the April 2012 DFS, the estimated capital costs are 9% lower

Cost estimates have been prepared based on updated July 2015 contractor and supplier quotations for equipment, consumables and installations costs, and therefore reflect the current estimated costs of constructing and operating a uranium project in today's mining environment. Exchange rates assumed were: 1USD : 1.28AUD / 1USD : 0.88EURO / 1USD : 12.25 N$ / 1USD : 12.25ZAR / 1USD : 124YEN

The estimate includes an "accuracy provision" of US$45 million for unknown but potential increases in quantities and costs, and excludes any owner's contingency allowance. The OS cost estimates have been prepared to a ±20% tolerance.

Table 8 – Comparison of Etango Project Capital Cost

Pre-Production Capital Item	OS (US$M)	DFS (US$M)	% Change	Context
Mining (including the fleet, establishment and pre-stripping)	**131**	127	+3%	Equipment costs based on responses to RFQs plus 6% contingency. Equipment life adjusted to vendor recommendations.
Process Plant	**321**	354	-9%	The plant capital expenditure was updated by AMEC Foster Wheeler to reflect 2015 costs and the learnings from recent Namibian mining projects.
Site Infrastructure	**75**	91	-18%	The plant capital expenditure was updated by AMEC Foster Wheeler to reflect 2015 costs and the learnings from recent Namibian mining projects.
External Infrastructure (power, water, rail, road and port)	**46**	47	-2%	
Engineering, Procurement and Construction Management (EPCM)	**63**	72	-13%	The EPCM estimation approach remains unchanged as a function of the direct costs
Accuracy provision	**45**	54	-17%	The accuracy provision of US$45 million equates to ~6% of the direct costs.
First fills and spares	**31**	29	+7%	
Owner's costs (personnel, housing, training, insurance etc)	**39**	40	-3%	Reflect changes in exchange rates and labour rates
Other (camp facilities, mobilisation and demobilisation and temporary services)	**41**	56	-15%	The plant capital expenditure was updated by AMEC Foster Wheeler to reflect 2015 costs and the learnings from recent Namibian mining projects.
PRE-PRODUCTION CAPEX	**793**	870	-9%	

Sustaining capital over the initial 16 year life of the operation totals US$282.5 million (This comprises US$267.2 million for mining fleet additions and replacements (net of final residual values), US$32.5 million in rehabilitation and closure costs, US$5.3 million for plant and external infrastructure, less US$22.5 million in recoupment of first fills and receipts of residual values for construction infrastructure.

The Optimisation Study assumes that all mining equipment will be purchased outright by Bannerman. Sensitivity analysis was done to determining the impact of leasing the mobile equipment on the project financials. Using an indicative interest rate of 5.5% together with a five year term and down payment of 30% it can be demonstrated that the pre-production capital can be reduced to US$737M (OS US$793 million; DFS US$870 million) whilst the corresponding lease payments will increase unit production costs in the first five years by US$1.57/lb U_3O_8.

OPERATING COSTS

Major OS improvements over the DFS included the lower stripping ratio and hence material movement, lower explosive cost, process reagent cost, sulphuric acid cost offset by forecast higher water and electricity cost. As a result, the average life-of-mine operating cost decreased by 17%, and by 20% during the first 5 years of operation. It is evident that the cost pressures experienced in previous years have lessened considerably.

The operating cost estimates are based on quotations for reagents, consumables, etc obtained from suppliers in July 2015:

Table 9 – Comparison of Etango Project Operating Cost

Item	First 5 Years of full production[1]			Life of Mine		
	OS	DFS	% Change	OS	DFS	% Change
Mining (US$/t material mined)	1.63	1.74	-6%	1.69	1.97	-14%
Mining (US$/t ore processed)	7.46	8.18	-9%	6.38	8.55	-25%
Processing (US$/t ore processed)	6.77	7.06	-4%	6.79	7.15	-5%
General & Administration (US$/t ore processed)	0.97	1.12	-13%	0.98	1.23	-20%
Cash Operating Cost (US$/t ore)	15.19	16.36	-7%	14.15	16.93	-16%
Cash Operating Cost (US$/lb U_3O_8)	32.99	41.30	-20%	37.99	45.71	-17%
Marketing and Transport (US$/lb U_3O_8)	1.10	1.10	-	1.10	1.10	-

Note 1: Represents years 2 -6

Mining

Unit mining costs are lower due to lower oil prices which impacted fuel, lubricant and explosive costs. In addition the information obtained through the RFQ process also resulted in favourable cost movements in drill consumables, tyres and other minor consumables.

Namibian based labour costs increased in Namibian dollar terms, however this was offset by a sharply weaker N$ exchange rate. Powder factor, drill penetration rates and excavator productivity rates were left unchanged from the DFS, whilst the haulage productivity numbers were updated to reflect the changes in pit lay-out and mine schedules.

Processing

Updated sulphuric acid, reagent and processing consumables cost estimates resulted in a reduction of the processing costs. This was partly offset by increases in electricity and water costs. Reagent consumption rates (including sulphuric acid) remained unchanged from the DFS. Electricity and water consumption rates were also left unchanged.

Other

The annual overhead costs reduced by 20% due to reductions in labour costs mainly due to changes in exchange rates.

In addition to the cash operating costs are selling costs (comprising product transport, converter charges and marketing costs) estimated at US$1.10/lb U_3O_8. A government royalty of 3% of gross revenue and third party royalty of 1.5% (on gross revenue less allowable deductions) payable to RCF is also catered for in the financial model. The total royalty payments over the life of mine comprise US$2.25/lb U_3O_8 and US$0.87/lb U_3O_8 for the government royalty and third party royalty respectively.

URANIUM MARKETING

The Optimisation Study has assumed a life-of-mine uranium price received of US$75/lb U_3O_8 in both the estimation of ore reserves (DFS US$70/lb U_3O_8) and in the financial modelling (DFS US$75/lb U_3O_8). This assumes that the average price received will be a combination of term and spot prices. Figure 4 below presents the spot and term uranium price over the past 10 years. Historically long term contract premiums have averaged 23% although they decrease with increasing spot prices. The long term contract premium when spot prices where in the range of US$65/lb U_3O_8 to US$75/lb U_3O_8 averaged 14%.

Figure 4 - Historical Uranium Prices

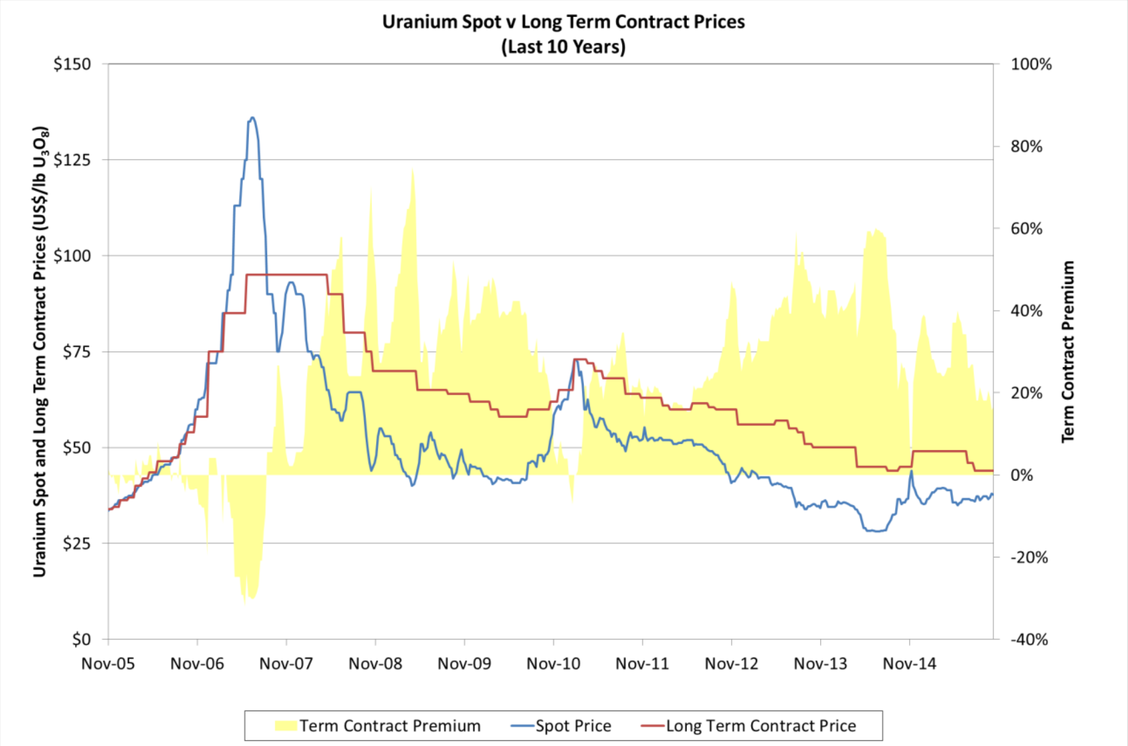
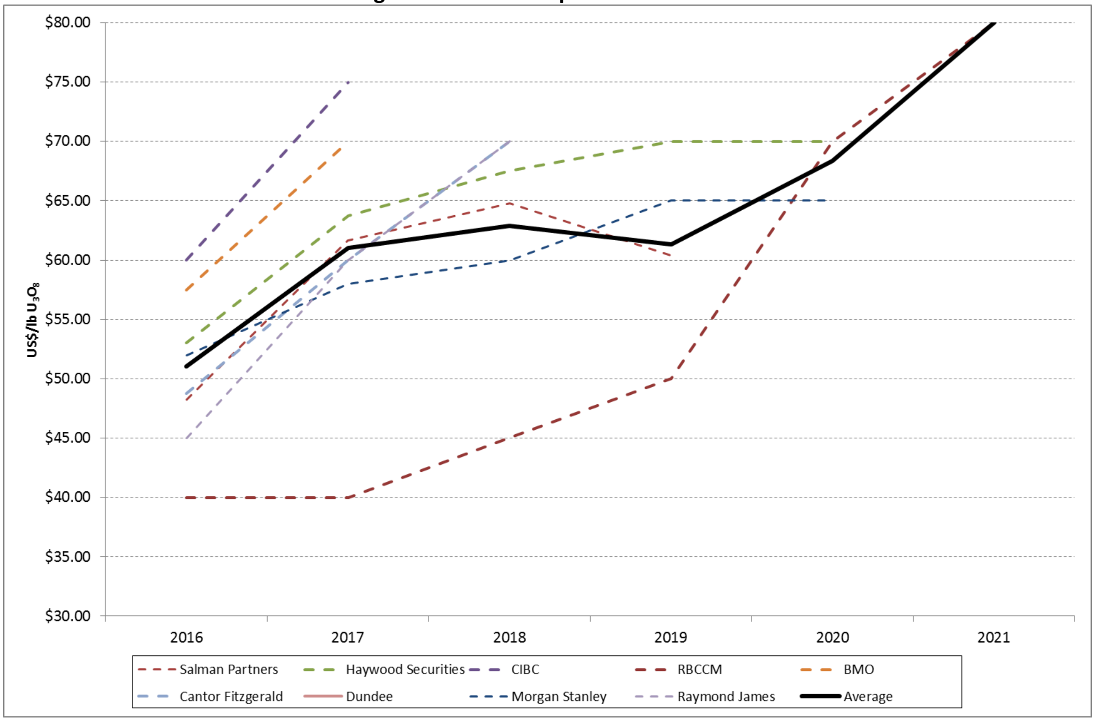


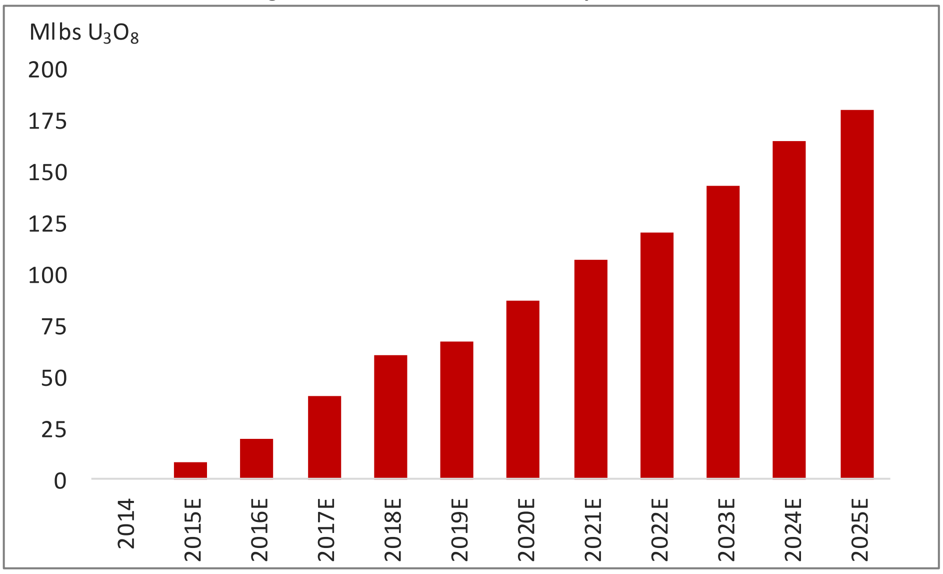
Figure 5 presents the consensus spot uranium price forecasts of numerous financial institutions. It is evident that the average spot price forecast around the time that Etango could commence production (ie 2020) is around US$68/lb. Assuming a long term contract sales premium of 14%, sales prices of US$75/lb U_3O_8 are therefore deemed to be achievable.

Figure 5 - Uranium Spot Price Forecast



The graph below presents annual global uncovered uranium requirements. In the context of the projected annual demand in 2021 of approximately 200Mlbs, the uncovered requirement around 2021 amounts to half of the global annual demand in that year. Utilities generally seek to contract for their uranium feed requirements approximately 3-5 rolling years in advance. As such, it is therefore reasonable to expect significant term contract demand to exist by the time Bannerman aims to secure term contract volumes to assist the project financing.

Figure 6 – Uncovered uranium requirements



Source: UxC, Cameco

Namibia has agreements in place with all countries party to the Global Nuclear Non-proliferation Treaty and an almost 40 year history of exporting uranium through the Walvis Bay port.

SENSITIVITY ANALYSIS

By virtue of its scale and lengthy initial mine life the Etango Uranium Project is highly leveraged to the uranium price. The life-of-mine net cash flow breakeven point is US$52/lb U_3O_8. Accordingly, relatively modest increases in assumed uranium price will have significant positive effects on modelled operating cashflows and the underlying value of the Etango Project, as tabulated below:

Table 10 - Etango Project Sensitivity Analysis of Key Financial Metrics to Uranium Price

	Units	US$/lb U_3O_8						
		60	**65**	**70**	**75**	**80**	**85**	**90**
Cash flow before capital (undiscounted, pre-tax)	US$B	2.1	2.6	3.2	**3.7**	4.2	4.8	5.3
Free cash flow after capital (undiscounted, post-tax)	US$B	0.5	0.9	1.2	**1.6**	1.9	2.2	2.6
Payback (from 1st production)	Years	8.5	5.9	4.9	**4.4**	4.0	3.8	3.5
$NPV_{8\%}$	US$M	(84)	86	254	**419**	584	749	914
IRR (post-tax)	%	6.3	9.6	12.6	**15.3**	17.8	20.1	22.4

The table below shows the sensitivity of the NPV to key financial parameters. In assessing the sensitivity of the project returns, each of the parameters has been varied independently of the others. Accordingly, combined positive or negative variations in any of these parameters will have more marked effect on the forecast economics of the project than the individual variations considered.

Table 11 - Etango Project Sensitivity Analysis of NPV to key parameters

	NPV at 8% discount rate (US$ million)					
		-20%	**-10%**	**BASE**	**+10%**	**+20%**
Capital Costs	US$M	556.4	487.8	419.1	350.5	280.9
Operating Costs	US$M	686.7	552.9	419.1	285.4	149.7
Mining Costs	US$M	544.0	481.6	419.1	356.7	294.3
Processing Costs	US$M	543.1	481.1	419.1	357.2	295.2

INDICATIVE DEVELOPMENT TIMETABLE

The project development timeframes outlined in the DFS remain unchanged. While the detailed engineering and construction period remains at approximately 30 months from project approval to plant commissioning, this estimate may be capable of potential reduction.

Subject to remaining study work, requisite sales contract procurement, and project financing, first production from Etango is targeted for H1 2020 as shown in the table below.

Table 12 - Etango Project Indicative Development Timeline

Activity	H1 2016	H2 2016	H1 2017	H2 2017	H1 2018	H2 2018	H1 2019	H2 2019	H1 2020
HL Demonstration Plant									
Value Engineering									
DFS Update									
Uranium Marketing									
Project Financing									
Project Approval									
Detailed Engineering									
Construction									
Commissioning									
First Production									

INDICATIVE VALUE ENGINEERING & DFS UPDATE PROGRAM

Table 13 - Etango Project Heap Leach, Indicative Value Engineering and DFS Update Programs

	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Feasibility Study	Compile scope of work, including value engineering program, to deliver an updated definitive feasibility study by end 2016.	Value Engineering Workshop. Engineering and evaluation.	Engineering and evaluation	Financial Modelling.	Updated DFS. 43-101 Report.
Geology	Update Ondjamba & Hyena Mineral Resource estimates.	External Review of Ondjamba & Hyena Mineral Resource estimates. Conduct scoping study level evaluation of both deposits.	Conduct geotechnical and metallurgical testing on Ondjamba and Hyena deposits. Conduct radiometric truck scanning demonstration.		Report.
Mining	Geotechnical - evaluate opportunity to steepen batter angles and overall pit slopes.	Incorporate outcome of geotechnical review into pit optimisation, design & mine scheduling.	Ondjamba & Hyena pit optimisation, design. Review of Chinese mobile equipment.	Integrated Mine Schedule. Operating and capital cost updates.	Report.
Processing	Demo Phase 3 – Closed circuit leaching. Conduct cost benefit analysis of different size distribution on process flowsheet to enable design of Phase 5.	Demo Phase 4 – SX in Swakopmund Lab. Review heap leach design and assumptions taking into account results of Phase 3.	Demo Phase 5 – Optimisation Studies. Update Ripios dump design.	Operating and capital cost updates. Finalise processing assumptions & parameters.	Report

The above time line and work program is dependent on the uranium price and uranium market developments.

KEY ASSUMPTIONS

The Study, Production Target, forecast financial information and Ore Reserve Estimate contained in this announcement is based on the material assumptions below:

Table 14 – Key Assumptions

Parameter	Ore Reserve Estimate (November 2015)
Maximum accuracy variation	20%
Mine Life	15.7 years
Mining Method	Convention open pit mining
Resource model	Nov 2015 recoverable Localised Uniform Conditioning resource model.
Economic cut-off grade	55 ppm – based on the mill limiting cut-off grade, reduced to more effectively exploit the deposit.
SMU	6.25mE x 12.5mN x 4mRL – scaled to account for dilution associated with the mining method.
Mining loss & dilution	SMU scaled to include dilution.
Strip ratio	2.78:1 – reduced as a result of changes in the cut-off grade and pit design.
Mining cut-off grade	55 ppm U_3O_8
Inter ramp slope angle	39.8° to 52.8°.
Processing Method	Heap leaching using on-off pad, followed by uranium and purification by solvent extraction
Annual Ore processing rate (Steady State)	20Mtpa
Processing recovery	86.9% – aligns with the recovery estimate incorporated in the DFS financial model.
Acid Consumption rate	18kt/t
Annual U_3O_8 production rate	7.2 Mlbs U_3O_8
Mining cost	US$1.69 per tonne mined – reflects the change in crude oil price, explosives and other mining consumables as in 2015.
Processing cost	US$6.79 per tonne processed - reflects lower reagent, consumable and maintenance costs offset by increased water and electricity costs as in 2015.
General & Admin Cost	US$18.6M per annum reflecting updated exchange rates and human resources costs.
Cash Operating Cost (US$/t ore)	US$14.15/t ore
Cash Operating Cost (US$/lb U_3O_8)	US$37.99 /lb U_3O_8
Marketing and Transport (US$/lb U_3O_8)	US$1.10/lb U_3O_8
Diesel price assumption (US$/litre)	US$0.79/litre
Electricity price assumption (USc/Kwhr)	USc10.4/Kwhr
Water price assumption (US$/$m^3$)	US$3.50/$m^3$
Sulphuric acid price assumption	US$95.6/t including transport costs.
Pre-production Capital Costs	US$793M
Government royalty	3%
Third party royalty	1.5%
Tax rate	37.5%
Exchange rate A$/US$	A$1.28: 1US$
Exchange rate EUR/US$	€0.88:1US$
Exchange rate ZAR/US$ N$/US$	N$12.25:1US$
Uranium sales price	US$75/lb U_3O_8
Discount rate	8%

OPTIMISATION STUDY TEAM

The OS is the culmination of internal reviews of the geological model and mine planning aspects of the project which commenced immediately after completion of the DFS in mid-2012. The work was accelerated in late 2014 with the assistance of various external parties as summarised below. The study was coordinated by Mr Leon Fouché, an employee of Bannerman with substantial uranium mining experience with input from Mr John Turney, previously Project Director, now assisting in the capacity of Project Advisor. The processing component is based on the design incorporated in the DFS with updated cost estimates for consumables, etc. These estimates were largely compiled by Amec Foster Wheeler.

Table 15 – Contributors to the Optimisation Study

Individual / Company	Key Area(s) of Involvement
1. Amec Foster Wheeler	Co-ordination of the OS report to support a capital and operating cost estimate at ±20% including processing plant design (excluding the solvent extraction plant, precipitation and final product packaging plant), external infrastructure (excluding power and water), site infrastructure and implementation plan. Review of the financial modelling. Review of the Phase 1 and 2 results from the heap leach demonstration program. Assist with compilation and review of the 43-101 report.
1. Augustinus Mungunda (BMN) 2. Optiro Pty Ltd 3. International Resource Solutions (IRS)	IRS did the initial modelling including, definition of mineralised zone and estimation of grades within Alaskites. Bannerman assisted with classification of the Mineral Resource under guidance from Optiro. Optiro reviewed the work conducted by IRS and Bannerman and did the estimation of grades for mineralisation outside of the Alaskites and the classification of the Mineral Resource. Ian Glacken from Optiro is the Competent Person for Mineral Resources.
1. VBKOM Namibia 2. Leon Fouché (BMN)	Ore reserve estimation and mine planning. Mining Capital and Operating Costs. Leon Fouché is the Competent Person for Ore Reserves/Mineral Reserves.
1. Abraham Saayman / Mine Technics	Geotechnical review of Open Pit Design.

LIST OF ABBREVIATIONS

Table 16 - List of Abbreviations

Abbreviation	Description	Abbreviation	Description
%	Percent	NQ	Size of diamond drill core
$	United States of America dollars	OK	Ordinary Kriging
$/a	Dollars per annum	OS	Optimisation Study
$/lb	Dollars per pound	PFS	Preliminary Feasibility Study
$/t	Dollars per tonne	ppm	parts per million
ASD	Alaskite Sub-Dominant mineralisation	QAQC	Quality assurance, quality control
AD	Alaskite Dominant mineralisation	QC	Quality Control
B	Billion	RAB	Rotary Air Blast
BMN	Bannerman Resources Limited	RCF	Resource Capital Fund
DFS	Definitive Feasibility Study	RC	Reverse Circulation
EC	Environmental clearance	RFQ	Request For Quotation
Epangelo	Epangelo Mining Company	Ripios	Heap leach discard
EPCM	Engineering, Procurement and Construction Management	QEMSCAN	Qualitative Evaluation of Minerals by Scanning
		Q1	Quarter 1 (January to March)
EPL	Exclusive Prospecting Licence	Q2	Quarter 2 (April to June)
ESIA	Environment and Social Impact	Q3	Quarter 3 (July to September)
Ga	Billion years	Q4	Quarter 4 (October to December)
H1	Half 1 (January to June)	RL (Z)	Reduced Level
H2	Half 2 (July to December)	SEM/EDS	Scanning electron microscopy
HPGR	High pressure grinding rolls	SMU	Selective Mining Unit
HQ	Size of diamond drill core	SX	Solvent Extraction
IRR	Internal rate of return	t	tonnes
kg	kilogram	t/m^3	tonnes per cubic metre
kg/t	kilogram per tonne	tpa	tonnes per annum
km	kilometres	TSX	Toronto Stock Exchange
km^2	square kilometres	U	Uranium
lb	Pound	UCS	Uniaxial compressive strength
LIBOR	London Interbank Offered Rate	US$	United States of America dollars
LOM	Life Of Mine	U_3O_8	Uranium Oxide
LUC	Localised Uniform Conditioning	VWAP	Volume Weighted Average Price
M	million	w:o	waste to ore ratio
m	metres	XRF	X-Ray Fluorescence analysis
MARC	Maintenance and repair contracts		
Mt	million tonnes		
Mtpa	million tonnes per annum		
N$	Namibian dollars		
N (Y)	northing		
NSX	Namibia stock exchange		
NPV	net present value		

TECHNICAL DISCLOSURES

Certain disclosures in this release, including management's assessment of Bannerman's plans and projects, constitute forward looking statements that are subject to numerous risks, uncertainties and other factors relating to Bannerman's operation as a mineral development company that may cause future results to differ materially from those expressed or implied in such forward-looking statements. The following are important factors that could cause Bannerman's actual results to differ materially from those expressed or implied by such forward looking statements: fluctuations in uranium prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; general market conditions; the uncertainty of future profitability; and the uncertainty of access to additional capital. Full descriptions of these risks can be found in Bannerman's various statutory reports, including its Annual Information Form available on the SEDAR website, sedar.com. Readers are cautioned not to place undue reliance on forward-looking statements. Bannerman expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Mineral Resources which are not Ore Reserves do not have demonstrated economic viability.

Competent person's statement

The information in this release relating to the Mineral Resources (November 2015) of the Etango Project is based on a resource estimate compiled or reviewed by Mr Ian Glacken, Principal Consultant at Optiro Pty Ltd and a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Glacken has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", is an independent consultant to Bannerman and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Glacken consents, and provides corporate consent for Optiro Pty Ltd, to the inclusion in this release of the matters based on his information in the form and context in which it appears.

The information in this release relating to the Mineral Resources (October 2010) of the Etango Project is based on a resource estimate compiled or reviewed by Mr Brian Wolfe in April 2012. Mr Wolfe is a Member of the Australian Institute of Geoscientists. Mr Wolfe was employed by Coffey Mining as an independent consultant to the Company at the time of the studies and public release of results. As Mr Wolfe is now no longer employed by Coffey Mining, Coffey Mining has reviewed this presentation and consent to the inclusion, form and context of the relevant information herein as derived from the original reports for which Mr Wolfe's consent has previously been given. Mr Wolfe has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and a Qualified Person as defined by Canadian National Instrument 43-101.

The information in this release relating to the Ore Reserves (April 2012 and November 2015) of the Etango Project is based on information compiled or reviewed by Mr Leon Fouché, a full time employee of Bannerman Resources Limited. Mr Fouché is a Fellow of The Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", and a Qualified Person as defined by Canadian National Instrument 43-101. Mr Fouché consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

1. JORC CODE, 2012 EDITION – TABLE 1 REPORT

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples were obtained using both reverse circulation (RC) and diamond drilling (DD) methods. • RC drill samples were collected off the rig cyclone in large plastic bags at 1m intervals. The 1m sample was split in the field by Bannerman staff using a 75/25 riffle splitter. The 75% sample was placed into a bulk sample bag from which rock chip samples were taken and placed into a chip tray for logging by the geologist. The primary sample sent to the laboratory was obtained by splitting the 25% sample until a sample of approximately 500g to 1kg was obtained. A count per minute (CPM) reading was taken from this sample using a handheld scintillometer and recorded along with the sample condition (wet, dry, and moist). If the bulk sample was wet, a spear sample was taken. Intervals of recovered samples selected for analysis, were based on alaskite lithology or intersections in non-alaskites that had a CPM greater than 300. • Diamond drill core was placed in core trays after drilling and taken to the Bannerman core logging and storage facility on site at Etango, where it was orientated, measured, logged and marked for sampling by the staff geologist. Sample intervals were determined by the geologist after logging. The sample lengths were nominally 1m; however, samples lengths ranging from 0.5 to 1.49m were selected where a lithological boundary was intersected. No sampling was undertaken across lithological boundaries. • For both RC and core, each sampled interval was generally preceded and followed by 2.0m of shoulder samples extending out beyond the interval of interest.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Bannerman has completed a total of 945 RC (215,480m), 137 diamond (37,392m) and 21 RAB (1,875m) drillholes, for a total of approximately 254,747m, in the vicinity of the Etango Project. This drilling provided the geotechnical, hydrological, structural, lithological and uranium grade data over the Anomaly A, Oshiveli and Onkelo prospects and the plant site area that are the subject of this resource update. • The RC drillholes for resource definition purposes were drilled using a bit diameter of 4.72" to 5.5". • Most of the diamond drillholes for resource delineation and grade estimation purposes were drilled using NQ diameter core barrels (47.6 mm core), with the bulk of the core being orientated by spearing after each run. A total

Criteria	JORC Code explanation	Commentary
		of 29 diamond drillholes were drilled for geotechnical purposes using a NQ3 core barrel (45.1 mm core) • Twenty eight drillholes were also completed in HQ core diameter (63.5 mm core) for metallurgical testwork.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC samples observed in the field were of suitable size and generally of consistent high recovery. Coffey International Limited (Coffey Mining) previously recommended that the RC sample recovery be routinely recorded and entered into the drillhole database. Based on this recommendation, Bannerman field staff undertook an analysis of the RC sample recovery in 2008. The samples were weighed before they were split and all samples returned a weight of ±20kg. The rocks in the mineral resource area are competent with very little cavities. Based on the results of the investigation Bannerman determined that a routine recording of this data was superfluous as the RC sample recoveries were very high. • Diamond drill core recoveries and RQD were recorded during logging with measurements taken downhole between drill runs which were generally in 3m increments. Recoveries were generally good, with the majority > 95%. From this data it is clear that the rock is very competent with very low levels of core sample loss.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RC drill chips were logged for geological variables including lithology, colour, texture, hardness, degree of weathering, alteration, alteration intensity etc., and a small sample was kept from each meter in plastic chip trays as a logging record. • Diamond drill core was also logged for the same geological variables as RC samples. • Core was photographed in the trays at Bannerman's sample storage facility after logging and was securely stored after sampling. • The logging of geological features in both RC chips and core was mainly qualitative, with parameters such as degree of weathering, hardness, alteration intensity etc., being visual estimates by the logging geologist. • The entire length of all holes was logged from collar to end of hole.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• RC drill samples were collected off the rig cyclone in large plastic bags at 1m intervals. The 1m sample was split in the field by Bannerman staff using a 75/25 riffle splitter. The 75% sample was placed into a bulk sample bag from which rock chip samples were taken and placed into a chip tray for logging by the geologist. The primary sample sent to the laboratory was obtained by splitting the 25% sample until a sample of approximately 500g to 1kg was obtained. A count per minute (CPM) reading was taken from this sample using a handheld scintillometer and recorded along with the sample condition (wet, dry, and moist). If the bulk sample was wet, a spear sample was taken. Intervals of recovered samples, selected for analysis, were based on alaskite lithology or intersections in non-alaskites that had a CPM greater than 300.

Criteria	JORC Code explanation	Commentary
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Up to drillhole GOADH0022, core was cut longitudinally with a diamond saw and half core sampled for analysis. The residual half core was retained in the core box for reference whereas the primary core sample was sent to SGS Lakefield in Johannesburg (SGS Johannesburg) for crushing and analysis. Subsequent to GOADH0022, only quarter core was used for primary analysis. The core depths (in metres), sample intervals and sample numbers were marked on the core for later identification. • For both RC and core, each sampled interval was preceded and followed by 2.0m of shoulder samples extending out beyond the interval of interest.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Initially all primary RC and diamond core samples were sent to SGS Johannesburg for crushing, pulverisation and chemical analysis. SGS Johannesburg is a SANAA accredited laboratory (T0169). • The samples were analysed by pressed pellet X-ray fluorescence (XRF) for uranium (and then converted to uranium oxide (U3O8) by calculation), niobium (Nb) and thorium (Th); and by borate fusion with XRF for calcium (Ca) and potassium (K). • Since December 2008, the sample preparation stages have been completed at SGS Swakopmund and pulp samples have then been forwarded to SGS Johannesburg for the analysis. Analysis for Ca and K was discontinued in March 2009. • Since December 2007, standards and blanks have routinely been inserted into the sampling stream at a nominal rate of 1:20. • RC field duplicate samples sourced from the 75% reject as well as diamond core duplicates are taken at the rate of 1 in every 20 primary samples. The sampling method was the same as used for the primary sample. Field duplicate samples were sent to Genalysis Johannesburg, and since January 12th 2009 to SGS Johannesburg for assaying. • Based upon Coffey Mining's analysis of the duplicates data and the laboratory based standards data, the Bannerman assaying is considered to meet industry acceptable standards for sample accuracy and precision and is acceptable for use in resource estimation studies. • From November 2007, Bannerman has used the Acquire commercial database software system to manage its drillhole data. The use of such database management software is considered to be of high industry standard as it enables the incorporation of large datasets into an organised, auditable structure. • Checks by Coffey Mining have identified no material issues with the database and it is considered acceptable for use in resource estimation.
Verification of	• *The verification of significant intersections by either*	• Drilling and sampling operations were supervised by Bannerman geologists and samples promptly bagged and taken

Criteria	JORC Code explanation	Commentary
sampling and assaying	*independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	to the onsite storage facility at Etango, prior to shipment to the assay laboratory. It is considered that Bannerman has appropriate provisions in place to safeguard the sample security. • Bannerman has drilled eight pairs of Diamond/RC twinned-holes at its Anomaly A deposit since the commencement of exploration activities in 2006. The twinned-holes were drilled as a means of verifying mineralization intersection thicknesses as well as mineralization grades. Analysis has shown that there is no bias in the thicknesses of matching intersections of Diamond and RC twinned-holes as they are very similar and compare very well to each other across all thickness ranges. • Analysis of matching pairs of composite Diamond and RC length-weighted assay grades within a 5m radius of each other indicated that Diamond U_3O_8 grades are generally higher than those of RC. • Coffey Mining have visited the SGS Johannesburg facility and considered it to be well run and that the preparation and analytical methods used by SGS Johannesburg are appropriate. • Coffey Mining visited the Etango Project site during April 2008 and collected samples for the purposes of independent sampling. A total of 40 RC samples were collected directly after drilling and splitting and placed into plastic bags with numbered security tags attached. Once tagged, the bags were sent to Bannerman's sample storage yard for processing. • Ten diamond samples were also collected at Bannerman's core shed, and then placed in plastic bags with numbered security tags attached. The tagged samples were then sent to the SGS Johannesburg laboratories, where the security tags were inspected by Coffey Mining personnel, prior to sample preparation. • The results illustrated typical examples of mineralisation from the property.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All drillholes were surveyed for collar position and downhole deviation. • Bannerman uses Ellipsoid WGS84 and Projection UTM Zone 33 South as the coordinate system. • All but eight (8) drillhole collars were surveyed by licensed surveyors after drilling. The remaining eight holes were surveyed by Bannerman employees using a handheld Garmin GPS. • Drillhole azimuths were measured with reference to magnetic north. Drillholes have been surveyed with either a Leica Total Station or Leica GPS. All recorded coordinates are to within +/- 5cm in the XYZ, with a greater accuracy for collars surveyed using the Leica Total Station. Collar coordinates surveyed by Bannerman with the handheld Garmin 60CSx GPS are to within +/- 3m in the XYZ. • Downhole directional surveys were initially taken using an Eastman single shot camera at nominal 30 m intervals (the first few holes only); however, for the vast majority of holes the practice has been to survey drillholes using a three

Criteria	JORC Code explanation	Commentary
		component Fluxgate Magnetometer survey tool following completion of the drilling.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drilling has been conducted on a nominal 50 m x 50 m, to 50 m x 100 m drill spacing, with the bulk of the 50 m x 50 m drilling being completed in the area of the likely open-pittable resource. • A relatively small area of 25 x 50 m spaced drilling has also been completed in the centre of the Project area. • Drilling along strike and down-dip of the main mineralisation has targeted extensions to the mineralised zones and has been drilled on a nominal 100 m x 50 m spacing. • Composite RC drill samples were collected off the rig cyclone at 1m intervals, whereas diamond core was also sampled at 1m composite intervals; however, in core, sample lengths ranging from 0.5 to 1.49m were selected where a lithological boundary was intersected. No sampling was undertaken across lithological boundaries.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Due to the relatively shallow dip of the mineralised alaskite bodies (approximately 15-40° to the west) and the inclination of the RC and diamond drillholes (generally -60° to the east), the length of the drillhole intercepts are regarded as being close to the true thickness of the mineralised intervals. There is believed to be no bias due to the orientation of the drilling.
Sample security	• *The measures taken to ensure sample security.*	• Diamond drill core and RC samples (after initial splitting in the field) were taken daily from the field to Bannerman's secure storage facility on site at Etango. • The prepared and packaged diamond core and RC samples for assaying were stored in the facility prior to pick up via courier. • All crushing, pulverising and splitting of the samples, subsequent to the original field splitting, was performed by a reputable assaying laboratory (SGS).
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Auditing and review of sample techniques and data has been carried out by Coffey Mining, an Australian-based international consulting firm specialising in the areas of geotechnical engineering, hydrogeology, hydrology, tailings disposal, environmental science and social and physical infrastructure. • The drilling, sampling and storage procedures used by Bannerman meet industry acceptable standards and the samples were considered by Coffey Mining to be of good quality and accuracy for the purposes of mineral resource estimation.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Etango Project EPL 3345 is owned by the Namibian company Bannerman Mining Resources (Namibia) (Pty) Ltd (Bannerman Namibia), previously called Turgi Investments (Pty) Ltd (Turgi), which manages the Project. Bannerman owns 80% of Bannerman Namibia, while the remaining 20% is held in the name of Mr C. Jones of Perth, Australia. • EPL 3345 was granted to Turgi Investments (Pty) Ltd, now Bannerman Namibia, on 27 April 2006, for an initial three year period to explore for Nuclear Fuels. The first application for renewal for EPL 3345 was granted on 26 April 2009 for an additional two years without any reduction in area. The second application for renewal for EPL 3345 was granted on 27 April 2011 for an additional two years, with a 2.7% reduction in area followed by a third application for renewal with a 50% reduction in size granted from 27 April 2013 and expiring on 26 April 2015. Currently a fourth renewal application for a further two year period, without reduction in size, is pending. The License currently is 24 326ha in size. • On 17 December 2008, Bannerman announced that its Namibian subsidiary, Bannerman Namibia, had entered into an agreement to settle the litigation previously brought by Savanna Marble CC (Savanna) and certain associated parties. Under the terms of the settlement agreement, Savanna agreed to discontinue its review application in the High Court of Namibia by which Savanna had sought a declaration that the grant by the Minister of Mines and Energy of Namibia of EPL 3345, on which the Etango Project is situated, was void. This settlement involves payments and the issue of shares to Savanna (as Bannerman has previously disclosed in public documents) and has removed any disputes to Bannerman's title to the Etango Project. • The mining royalty is currently stipulated by the Namibian Government to be 3% of revenue. • Bannerman lodged an Environmental and Social Impact Assessment (ESIA) with the Namibian Ministry of Environment and Tourism for open pit mining and heap leach processing. Formal Environmental Clearance was received in July 2012 valid for three years. Application for renewal of the Environmental Clearance was lodged in July 2015. It is expected to be renewed in due course. Environmental clearance for the location and design of infrastructure ancillary to the Etango Project was granted by the Ministry of Environment and Tourism in February 2013 and is valid for three years, following which a renewal will be sought. • Bannerman currently has a valid environmental clearance to conduct exploration activities on EPL 3345. The environmental clearance which is renewable every three years will expire in February 2016. • No substantiative legislative, environmental or social impacts have been identified for development of the Etango Project. The Erongo region already hosts a number of other large uranium producing operations, and uranium mining and processing is well understood in the local communities and by Government regulatory authorities.

Criteria	JORC Code explanation	Commentary
		• The Etango Project enjoys local community support and is expected to have a significant positive impact on the Erongo Region and Namibian national economies, including local employment and skill training.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• In the 1970s the then South West African Geological Survey conducted a regional reconnaissance airborne radiometric survey that was followed by a further detailed spectrometer-magnetometer survey in 1974 over an area exceeding 100,000ha. Analysis of the airborne survey identified a broad thorium and uranium/thorium anomaly along the western flank of the Palmenhorst Dome. Prospect scale exploration within the Etango project area commenced in 1975 with 134 percussion holes being drilled in the Anomaly A area. The exploration by previous owners was not conducted on behalf of or by Bannerman and little information remains available on this work. • From 1976 to 1978, Omitara Mines (a joint venture between Elf Aquitaine SWA and B & O Minerals) (Omitara) drilled 224 mostly vertical percussion drillholes on a reconnaissance grid of 400m north by 75m to 100m east along the western Palmenhorst Dome position and a reduced grid in some areas of 200m to 100m by 75m near the Anomaly A area. The percussion drillholes totalled 13,383m with depths ranging from 50 to 100m. An additional 9 diamond drillholes were drilled for a total of 2,100m.Holes drilled during this period were analysed variably by chemical assaying (X-ray fluorescence) and downhole gamma-ray spectrometry (calibrated at Pelindaba). Chemical assay results in the region of Anomaly A ranged up to the low thousands of ppm U3O8. • A total of 6,800m of trenching was completed using a Poclain Excavator to obtain exposure of the alaskites which were under the superficial cover of the Namib plain in the southwest of the Project area. The remnants of the trenching can still be seen today. Omitara also performed airborne radiometric surveys. • Mouillac, et al. (1986) mentions that by the beginning of 1978 "potential reserves are estimated to be several tens of millions of tons with a low average ore-grade". • From 1982 to 1986 Western Mining Group (Pty) Ltd conducted regional mapping and drilled 22 percussion drillholes for 1,017m and conducted surface scintillometer surveys. A resource was estimated in 1986, but no historic figures are available. As a result of a dramatic decrease in the price of uranium in the 1980s exploration for this commodity all but ceased until 2005. • The exact sampling methods used for the historic drilling are not available and are not considered relevant to this report, as this drilling has not been included in any modelling or mineral resource work.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Primary uranium mineralisation in the Etango Project area is related to uraniferous leucogranites, locally referred to as alaskites. The alaskites are often sheet-like, and occur both as cross-cutting dykes and as bedding and/or foliation-parallel sills, which can amalgamate to form larger, composite granite plutons or granite stockworks, made up of closely-spaced dykes and sills. These alaskite intrusions can be in the form of thin cm-wide stringers or thick bodies up to 200 m in width.

Criteria	JORC Code explanation	Commentary
		• The alaskite bodies have intruded into the metasediments of the Nosib and Swakop Groups of the Damara Supergroup. These metasediments and alaskite intrusions flank the Palmenhorst Dome which is cored by Mesoproterozoic (1.7 2.0 Ga) gneisses, intrusive rocks and meta-sediments of the Abbabis Metamorphic Complex. • Uranium mineralisation in the Etango Project area occurs almost exclusively in the alaskite intrusives. Minor uranium mineralisation is also found in the metasedimentary sequences close to the alaskite contacts, probably from metasomatic alteration and in minor thin alaskite stringers within the metasediments. • The dominant primary uranium mineral is uraninite (UO_2), with minor primary uranothorite ($(Th,U)SiO_4$) and some uranium in solid solution in thorite (ThO_2). The uraninite is commonly associated with chloritised biotite in the alaskites and with ilmenite and magnetite within foliated alaskites. The primary uranium mineralisation occurs as microscopic disseminations throughout the alaskite, at crystal interfaces, and as inclusion within other minerals. Secondary uranium minerals such as coffinite ($U(SiO_4)(OH)_4$) and betauranophane ($Ca(UO_2)_2(SiO_3OH)_2\ 5H_2O$) occur as replacements of the primary minerals or as coatings along fractures. • QEMSCAN analysis indicates that about 81% of the uranium present is in primary uraninite, while 13% is in secondary coffinite and 5% is in secondary betauranophane (Freemantle, 2009). The remaining 1% of the uranium occurs in various minor phases including brannerite, betafite and thorite. Very minor amounts of uranium are also present in solid solution in monazite, xenotime and zircon. A very minor amount of primary betafite ($(Ca,U)_2(Ti,Nb,Ta)_2O_6(OH)$) is also present.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Most drillholes at Etango since Bannerman's ownership have been detailed in ongoing market releases.
Data aggregation	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum*	• Since a constant density is used, average intercept grades are simply length-weighted composites with no other

Criteria	JORC Code explanation	Commentary
methods	*grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	cutting applied for reporting purposes. • Summary statistics of the sample length indicates that approximately 97.5% of the samples were collected at 1m intervals. Of the remainder, 1.5% were sampled at intervals <1m and 1% at intervals >1m. • No metal equivalents have been or are required to be reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Due to the shallow dip of the mineralised alaskite bodies (approximately 15-40º to the west) and the inclination of the RC and diamond drillholes (generally -60° to the east), the length of the drillhole intercepts are close to the true thickness of the mineralised intervals.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant figures and tabulations are presented in the main text and Appendices.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Relevant significant intercepts encountered in various exploration drill holes have been disclosed in prior public releases. • The data used in the current resource estimation is representative of mineralisation at the Etango Project. • Sample intercepts have been composited to 3m during resource estimation to ensure that all data is appropriately weighted. • Appropriate top cutting was applied to manage the impact of high grade outliers on the resource estimates.
Other substantive	• *Other exploration data, if meaningful and material, should be reported including (but not limited to):*	• Bannerman constructed a Heap Leach Demonstration Plant during Q4 2014 and Q1 2015 with the official opening on 24 March 2015. The Plant allows large column leach testing to be performed on ~30t samples.

Criteria	JORC Code explanation	Commentary
exploration data	*geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• A bulk sample consisting of approximately 3,000 tonnes of uranium bearing alaskite (ore) and approximately 300 tonnes of non-uranium bearing diamictite (waste) from the Chuos formation was collected at two separate locations approximately 300m apart. The ore sample covered an area of 12m x 26m situated over outcropping alaskites and the waste sample covered an area of 5m x 10m situated over outcropping metasediments of the Chuos formation. • A total of 98 blast holes were drilled to 4.5m depth at the ore sample site on a grid of 1.8m x 2.0m. All the holes on the ore sample were sampled in order to get a good indication of the grade of the ore sample. Drilling was done using a conventional blast hole drill rig (open hole percussion drilling) with a 89mm button bit. One composite sample was collected for each blast hole by collecting all the drill cuttings from the hole on a plastic sheet and splitting it through a 75/25 riffle splitter till a sample of approximately 1kg was obtained. All samples (98) were submitted to the Bureau Veritas Laboratory in Swakopmund for ICP-MS analysis for U, Th, Nb • A total of 35 blast holes were drilled at the waste sample site to depths ranging from 1.5m to 4.5m. Only 5 holes were sampled (in the same way as at the ore sample) in order to be sure that there is no significant mineralisation in the waste sample. All samples (5) were submitted to the Bureau Veritas Laboratory in Swakopmund for ICP-MS analysis for U, Th, Nb.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Work planned at the Etango Project for the period 2015-2017 will continue to focus on positioning Bannerman to fast track the development of the Etango Project in a rising uranium price environment. This will include: ○ The further progression of testwork at the heap leach demonstration program. ○ Testwork to assess the parameters associated with radiometric truck scanning at the Etango Project. ○ Reconnaissance exploration of prospects identified during previous target generation activities. Prospects were previously identified both along strike (both north and south) as well as down dip of the project which collectively present the opportunity to increase the mine life of the project.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• The database was supplied by Bannerman in csv format which was then combined into a geological database for use in the resource estimation. • Data was assumed by Optiro to be correct. Optiro has verified a selection of drillhole collars during a site visit with a handheld GPS and found no errors.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Optiro carried out a site visit to the Etango Project on the 3rd of September 2015. Ian Glacken (Director), who is acting as Competent Person, inspected the deposit area, the core logging and sampling facility and diamond core and RC chips were also viewed. During this time, notes and photos were taken along with discussions were held with site personnel regarding the available drill core and procedures. A number of minor recommendations were made on procedures but no material issues were encountered.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The confidence in the geological interpretation is considered moderate, but has been mitigated to a degree by the modelling approach chosen. Geological domains used to constrain the grade estimation were generated using a Categorical Indicator Kriging (CIK) approach based on a two-stage flagging approach which used the lithology and grade information from downhole logging. Wireframes were generated from the probability estimates and were validated by visual inspection, volumetric assessment and statistical investigation. A secondary wireframe was also used to restrict the grade estimation to areas covered by drilling and consequently limit the uncertainty in the interpretation. • The drillhole data was coded on lithology prior to compositing. For the alaskite dominant (AD) mineralisation, if a composite contained more than 1/3 alaskite and ≥ 50ppm U_3O_8 then composite was retained. For the alaskite sub-dominant (ASD) mineralisation, no constraint on the lithology was used. The Etango deposit was separated into 3 domains. These areas are based on local changes in strike and dip directions of the mineralised trend throughout the deposit. The North Domain is defined as areas >7,488,950mN, the Mid Domain is defined as ≤7,488,950mN and ≥7,487,450mN and the South Domain as <7,487,450mN. • The selection of a different probability threshold for the grade shell would affect the volume of the mineralisation envelopes; however, they reflect the broad trends of the alaskite bodies. • Lithology logging codes were used to flag the drillhole data used in the creation of the estimation domain shells. • Utilisation of a CIK approach to generate the estimation domains includes a small percentage of below cut-off composites into the estimate. Assessing the amount of sub-grade material forms one of the criteria in assessing the selection of an appropriate probability grade shell. The shell is designed to reflect the broad continuity of both the alaskites and the grade continuity of the mineralised zones within the alaskite host.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Etango Project Mineral Resource area has dimensions of 7,000 m (north) by 4,200 m (east) and 500 m (elevation). It primarily includes the Etango deposit, as well as the smaller Hyena and Ondjamba deposits, which are not described in this Table 1 as they have been reported under JORC 2004.

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	• Domaining: A Categorical Indicator Kriging (CIK) modelling approach was used to model the mineralisation domains used to constrain the grade estimation. For the main AD mineralisation, drillhole sample data was flagged on the presence of alaskite (the host lithology) prior to compositing to 3 m. Compositing to 3 m was completed using a best fit method and there were no residuals. If more than 1/3 of the composite contained alaskite the composite was retained. A second flag, where U3O8 ≥50 ppm, was then applied. The probability estimate was completed on each of the three orientation domains, using a single search pass with a minimum of 1 and a maximum of 8 samples. A series of wireframes at various probability cut-offs were generated. The wireframe representing the 0.4 probability grade shell was deemed the most appropriate to represent the AD mineralisation after analysis by visual inspection, volumetric assessment and statistical investigation. For the ASD mineralisation, all samples outside of the AD grade shell were retained (regardless of lithology) and were composited to 3 m. A threshold of 50 ppm was then used to code the composites. A probability estimate was completed on each of the three orientation domains using a single search pass of no more than 185 m (X) by 135 m (Y) by 18 m (Z) with a minimum of 4 and a maximum of 24 samples. A series of probability cut-offs were analysed and the wireframe representing the 0.4 probability was deemed the most appropriate in delineating the ASD mineralisation on the basis of statistical analysis and visual comparison. • Grade Estimation: Grade estimation for Etango was completed using Ordinary Kriging (OK) within the CIK grade shells for the AD and ASD domains. Grade estimation was carried out in Isatis and Datamine Studio 3 using a parent block of 25 m E by 25 m N by 8 m RL. A regular 3 m composite length was selected based on the geological setting and mining, including likely mining selectivity and bench/flitch height. For the AD mineralisation, compositing was stopped at the grade shell boundary and residuals of less than 1.2 m were retained by combining with the previous composite. Compositing within the ASD mineralisation was completed prior to flagging within the probability wireframes and composites were selected in the centroid of the sample composite was within the ASD grade shell wireframe. Top cuts were applied to all estimation domains; 1700 ppm to the mid AD and north AD domain, and 1300ppm to the south AD domain, and a topcut of 900ppm was applied to all ASD domains. For the AD mineralisation, two search passes were used utilising larger and less restrictive searches. The search parameters were defined based on the variography of each AD domain as well as the data spacing. In general, for the AD domains, the first search was 100 m (X) by 100 m (Y) by 40 m (Z) and utilised 24 to 36 samples. This was extended up to 500 m (X) by 500 m (Y) by 120 m (Z) using 12 to 24 samples in the successive pass. For the minor ASD mineralisation, three search passes were utilised; the first and second search both averaged 200 m (X) by 120 m (Y) by 6 m (Z) and utilised a minimum of 3 (or 2) to 24 samples. This was extended to 10 times these ranges by the third pass and a minimum of 2 samples used. Over 90% of the ASD estimate was informed by the second pass. Soft domain boundaries were used between the orientation domains for both mineralisation styles. Discretisation was set to 7 (X) by 7 (X) by 5 (Z) for the AD domains and 10 (X) by 10 (Y) by 4 (Z) for the ASD domains. • Post-Processing: Local Uniform Conditioning (LUC) was applied to the Etango estimate using a SMU of 6.25 m E by 12.5 m N by 4 m RL. An Information Effect of 5 m E by 5 m N by 4 m RL was applied, reflecting the likely grade control spacing. LUC was completed in Isatis for the AD domains and in Datamine Studio 3 using an in-house program for the ASD domains. The Mineral Resource quoted is the LUC estimate. • The previously reported Mineral Resource for Etango was completed by Coffey in 2010. This formed the basis of a Definitive Feasibility Study (DFS) and was reported in October 2010.

Criteria	JORC Code explanation	Commentary
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• There are no by-products. • There are no relevant deleterious elements or non-grade variables of any major significance. • The parent block used for the OK panel estimate was 25 m E by 25 m N by 8 m RL. The average drill spacing across the deposit is between 50 x 50 and 200 x 200. Subcelling was completed down to 6.25 m E by 12.5 m N by 4 m RL, which was the size of the SMU used in the post-processing routines. • A support correction study was completed to determine the most appropriate SMU dimensions. Numerous SMU dimensions were tested but there were little difference to the output grade-tonnage curves therefore little practical justification to infer a smaller SMU size. The selected SMU size is understood to be in line with those used at similar deposits (Husab, Valencia and Rössing) in the local vicinity. • There is only one variable of interest, U3O8 (ppm). • The geological interpretation of the grade shells was used to define the estimation domains for both the ASD and AD mineralisation domains. • Statistical analysis showed the populations in each domain to generally have a low coefficient of variation, but it was noted that some of the estimation domains included outlier values that required grade cutting to be applied. Top cuts were chosen based on a combination of analysis techniques including statistical analysis, population disintegration and review of statistical plots. • Validation of the block model included global comparison of the OK block model domain grades to the declustered and topcut input data and swath (profile) plots showing northing, easting and elevation comparisons. Visual validation of LUC and OK grade trends and metal distribution was carried out. The LUC block model was compared to the OK block model at a 0 ppm cut-off on a domain basis.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnes were estimated on a dry basis.

Criteria	JORC Code explanation	Commentary
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Etango Mineral Resource was modelled using a 50 ppm U3O8 grade threshold. The resource has been reported above a 55 ppm U3O8 cut-off, reflecting the marginal cut-off grade defined in mining optimisation studies.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The SMU of 6.25 m E by 12.5 m N by 4 m RL has been chosen based on a review of a range of sizes and the response of the estimate to those sizes. This SMU size is considered to be in line with similar deposits and similar mining methods in the local vicinity (e.g. Rössing). • The recoverable resource methodology (OK-LUC) is believed to partially incorporate mining dilution. In addition to the grade control approach (radiometric probing of blastholes) a further highly selective discriminant will be the use of truck scanning technology.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• The metallurgical process was determined following extensive metallurgical test work during the preliminary feasibility study and the definitive feasibility study. The metallurgical process comprise of three stages of crushing, agglomeration, followed by sulfuric acid heap leaching on an industry standard on/off heap leach pad followed by solvent extraction and calcination. • Key metallurgical assumptions include: o Plant throughput of 20 Mt per annum. o Metallurgical Recovery of 86.9% o Sulphuric Acid consumption of 17.6 kg/t ore leached.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an*	• Detailed waste and process residue designs were conducted during the DFS. This process included geochemical characterisation and modelling of surface water and ground water impacts. Further details are reported in Section 4. • Bannerman lodged an Environmental and Social Impact Assessment (ESIA) with the Namibian Ministry of Environment and Tourism for open pit mining and heap leach processing. Formal Environmental Clearance was received in July 2012 valid for three years. Application for renewal of the Environmental Clearance was lodged in July 2015. It is expected to be renewed in due course. Environmental clearance for the location and design of infrastructure ancillary to the Etango Project was granted by the Ministry of Environment and Tourism in February 2013 and is valid for three years, following which a renewal will be sought. •

Criteria	JORC Code explanation	Commentary
	explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• There has been extensive density testing of both the alaskites and the metasediments from the Etango project and the density is largely invariant. A default value of 2.64 t/m3 has therefore been applied to all rock units and weathering types. The degree of surface weathering is minimal. Density measurements have been taken on core samples using a water-displacement approach. Voids or cavities in the rock are almost non-existent so the specific gravity can be used as a proxy for the bulk density.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Mineral Resource has been classified into Measured, Indicated and Inferred categories on the basis of geological and grade continuity, drillhole spacing and estimation quality. The Measured category was applied to blocks which were informed either in pass one or two, where the drill spacing was 25m x 25m or 25m x 50m, and where the slope of regression statistic was generally greater than 0.9. The Indicated category was applied to blocks estimated in the first or second pass, where the drill spacing was nominally 50m x 50m or 100m x 100m, where the grade tenor was moderately consistent and where the slope of regression was between 0.3 and 0.9. Any material which did not meet the criteria for Measured or Indicated was allocated to the Inferred category, apart from extrapolated or laterally-extensive mineralisation which was set to potential using a number of 'unclassify' solids. All of the ASD material was classified as Inferred, reflecting the lower confidence in the geological continuity of these zones. The classification does consider data quality, geological confidence and grade continuity. • The classification applied does reflect the Competent Person's view of the deposit, and indeed was applied by the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The Mineral Resource Estimate at Etango reflects work carried out by International Resource Solutions, a consultant to Bannerman, which has been thoroughly reviewed by Optiro. A number of changes were made as a consequence of the review, including the modelling of the ASD mineralisation, which was carried out by Optiro. The classification incorporates the work of Optiro and Bannerman staff.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative*	• The Mineral Resource Estimate has not been subject to rigorous assessment of accuracy and confidence using any numerical or probabilistic approach. Areas of potential uncertainty are the detailed morphology of the alaskite bodies and the degree to which the current volume may change upon infill drilling, and the continuity of the ASD zones, which have been assumed to be relatively discontinuous in this estimate. Grade confidence, as defined by grade continuity modelling is believed to be high. Data quality is high as reflected by the QAQC work.

Criteria	JORC Code explanation	Commentary
	accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The current Mineral Resource classification is believed to represent estimates suitable for scheduling on a minimum quarterly or six-monthly production interval, i.e. the production scale required for a DFS once reserve conversion has been achieved. • No production data is available other than detailed grade control from a small trial mining exercise, which demonstrated a greater degree of grade continuity than currently assumed. Detailed metallurgical testing and truck scanning trials will provide some more data for comparison with the trial mining grade control data and the relevant portions of the Mineral Resource.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria		Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The 2015 mineral resource estimate as described in preceding sections of this Table was used as the basis of the Ore Reserve Estimate. This Mineral Resource estimate was developed under the guidance of Optiro Pty Ltd. • The 2015 model employed a Uniform Conditioning (UC) estimation approach. This is a recoverable resource estimation technique, based upon ordinary kriging into large blocks (panels), which seeks to predict the resources available at the time of mining using the assumption of a selective mining unit (SMU) related to the production rate and equipment. This technique was used to model the selective mining unit consistent with the mining method, which employs radiometric truck scanning as currently adopted at neighbouring open pit uranium mines. • Mineral Resources are inclusive of Ore Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit to the Etango deposit was undertaken by Mr Leon Fouché, who is the Competent Person, in July 2015. Mr Fouché led the optimization study that forms the basis of this ore reserve declaration. This included discussions with technical personnel and conducting an inspection of the geology and the terrain.

Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.*
	• *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*
		• A number of studies have been completed on the Etango project including a definitive feasibility study (DFS) completed in 2012. The optimization study builds on the DFS by:
		  o Utilising an updated geological model as described in the preceding sections of this table.
		  o Updating the capital and operating cost estimates to ensure that these are current.
		  o Updating the mining study to reflect the above changes in geological and economic parameters.
		• Some of the updated cost estimates have been done to an accuracy of pre-feasibility study level whilst the mine planning has been carried out to feasibility study level.
		• The financial model developed during the DFS was utilised for this project and reviewed by AMEC Foster Wheeler.

Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• The mill limiting cut-off grade (sometimes referred to as the marginal cut-off grade) for the project was calculated based on the economic parameters stated below
		  o Processing Cost
		  o Selling Cost
		  o G&A costs
		  o Government Royalty
		  o U_3O_8 price
		  o Metallurgical Recovery
		• The resultant cut-off grade used for ore reserve estimation was 55ppm U_3O_8.
		• During mine scheduling a variable cut-off grade approach was undertaken whereby the cut-off grade was changed on a

Criteria		Commentary
		period by period basis to enhance the project value.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The mineral resource model applied local uniform conditioning (to a panels of 25mE x 25mN x 8mRL estimated utilizing ordinary kriging) to estimate the grade in an SMU of 6.25 m E by 12.5 m N by 4 m RL which was chosen to represent the selectivity associated with radiometric truck scanning. • No further dilution and mining loss were applied to model as the SMU (of 6.25 m E by 12.5 m N by 4 m RL) utilized in the model is greater than the proposed mining method selectivity utilizing radiometric truck scanning. The ratio of SMU to truck size corresponds well with what neighbouring and other open pit uranium mines that employ this technique as reported in the literature. • Pit optimisations utilising the Lerchs-Grossmann algorithm (with Whittle Four-X) were undertaken to determine the economic limits of the open pit. The optimisation utilised the resource model described in preceding sections of this table, together with cost, revenue and geotechnical inputs. The resultant pit shells were used to develop detailed pit designs with due consideration for the geotechnical, geometric and access constraints. These pit designs were used as the basis for production scheduling and economic valuation utilising discounted cash flow methods to confirm economic viability. • Pit optimisation was confined to Measured and Indicated Resources with Inferred Resources treated as waste during this process. • Conventional drill, blast, loads & haul open pit operations were assumed consistent with operations in nearby located uranium mines. The mining was modelled based on large mining equipment comprising 220 tonne class off-road haul trucks and 550 tonne excavators employed in back-hoe configuration. • Capital and operating cost assumptions were based on owner mining with maintenance conducted by the Original Equipment Manufacturer (OEM) under a Maintenance and Repair Contract (MARC). • The geotechnical parameters applied during the mine design process was based on a detailed geotechnical study conducted by Coffey mining in 2012 as part of the DFS and which was informed by 26 geotechnical drill holes drilled to collect rock quality and structural data. The resultant geotechnical recommendations are suitable for implementation at DFS level of reliability and are shown below.

Criteria		Commentary
		(see Table C and bullets below)

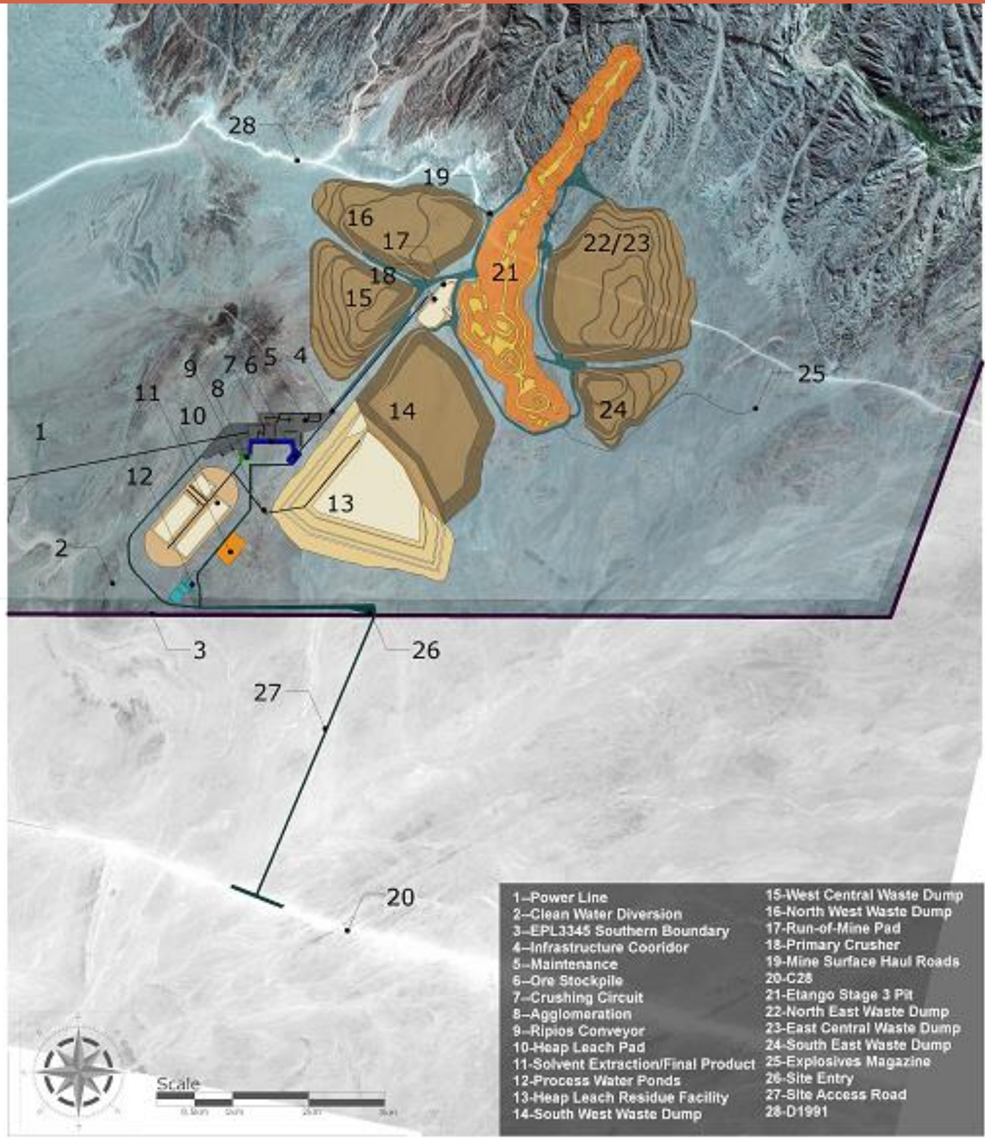
Table C

Etango Slope Design

Domain	Design Sector	Weathering	BFA (°)	BW (m)	BH (m)	IRSA (°)	IRSH / De-couple (m)	OSH (m)	OSA (°)
North/South	All Slopes	Weathered	55	6	12	39.8	20	380	50.5
		Fresh	70	9.5	24	52.8	120		

Legend
BFA Batter Face Angle
BW Berm Width
BH Batter Height
IRSA Inter-Ramp Slope Angle
IRSH Inter-Ramp Slope Height
OSH Overall Slope Height
OSA Overall Slope Angle

- The open pit mining configuration is based on 12 metre benches mined in three 4-4.5 metre flitches.
- A minimum mining width of 50 metres was applied during mine design.
- During the above process inferred mineral resources were excluded from mine schedules and economic valuations utilized to validate the economic viability of the Ore Reserves.
- Mining methods assumed grade control will be based on radiometric down-the-hole logging systems (gamma logging) and supplemented by radiometric truck scanning which will determine the destination of the truck.
- Waste rock dump designs done during the DFS were utilised for this study. Due to a slightly smaller pit and lower stripping ratios there is sufficient space on the existing waste rock dump designs.
- The study considered all of the infrastructure requirements associated with a conventional truck and shovel mining operation including crushing and conveying systems, heap leach pad, waste dump and stockpile location, access routes, explosive storage, workshops, offices, change houses, crib rooms water and power. A schematic is shown below.

Criteria		Commentary
		

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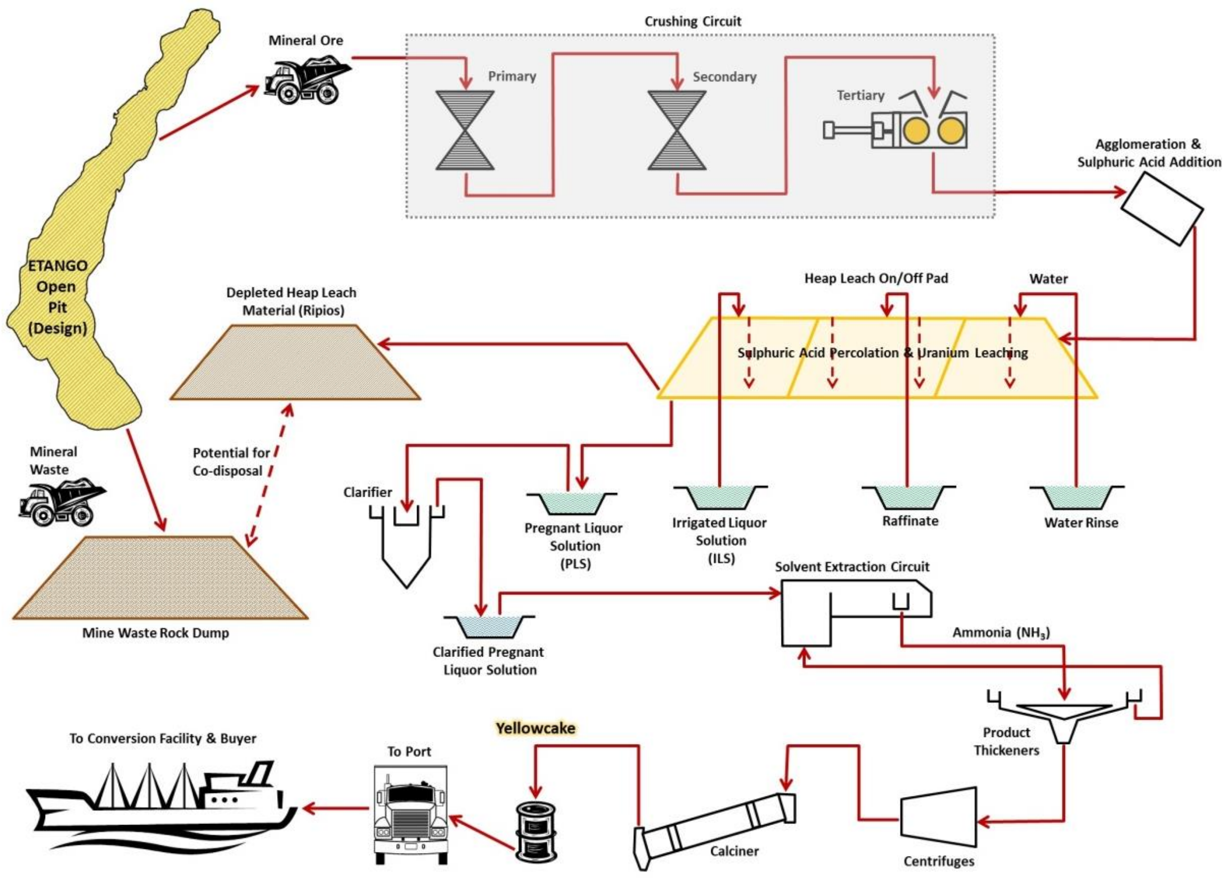
<tr><th colspan="2">Criteria</th><th>Commentary</th></tr>
<tr>
<td>Metallurgical factors or assumptions</td>
<td>

- *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.*
- *Whether the metallurgical process is well-tested technology or novel in nature.*
- *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.*
- *Any assumptions or allowances made for deleterious elements.*
- *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.*
- *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*

</td>
<td>

- The metallurgical process proposed during the 2012 DFS remains unchanged in this update of the study. The metallurgical process was determined following extensive metallurgical test work during the preliminary feasibility study and the definitive feasibility study. The metallurgical process comprise of three stages of crushing, agglomeration, followed by sulfuric acid heap leaching on an industry standard on/off heap leach pad followed by solvent extraction and calcination. A simplified flow sheet is shown below.
-



- The Etango project is located in a well-established uranium mining district and the metallurgical process is, in general, a

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Criteria		Commentary

		conventional uranium recovery circuit utilizing solvent extraction similar to other uranium mines in the area. The heap leaching aspect can be considered novel in the context of the mineral district. However, this aspect has been subjected to larger scale pilot plant testing as discussed below.
		• During the DFS an extensive metallurgical test campaign was undertaken comprising of
		  o Mineralogy analysis utilizing SEM/EDS and QEMSCAN
		  o Comminution characterization including UCS, Bond (Crushing index, Ai test, RWi test, BWi test), JK (DWi, SMC) and dedicated High Pressure Grinding Roll (HPGR) testing.
		  o Column leach testing including column leach variability testing and diagnostic testing.
		  o Geotechnical testing of leach residue,
		  o Solvent extraction test work,
		  o Miscellaneous testing such as chloride analysis.
		• The above mentioned tests were based on samples obtained from HQ core (28 holes were drilled specifically for metallurgical characterization purposes) together with ½ NQ core and ¼ NQ core retained for variability testing.
		• Column leach testing was based on a 15 392 kg composite sample obtained from 17 HQ drill holes across the deposit.
		• Column leach variability testing was based on a composite of 479 kg of samples from 45 drill holes across the deposit.
		• A demonstration plant was commissioned in 2015 comprising four large section (2mx2m) cribs designed to demonstrate;
		  o demonstrate the current proposed technology,
		  o confirm some of the scale-up assumptions and
		  o Sensitivity to closed-circuit operation.
		• Each of the cribs allows the leaching of a ~30 tonne sample. The program included trail mining an area of the ore body including drilling, blasting, loading and hauling of a bulk sample (totalling ~3000 tons) to the demonstration plant location.
		• The results of the initial phases of the pilot plant test work confirmed the validity of the DFS processing parameters which for purpose of this study remained as per the DFS including:
		  o Plant throughput of 20 Mt per annum.
		  o Metallurgical Recovery of 86.9%
		  o Sulphuric Acid consumption of 17.6 kg/t ore leached.
		• The final product must conform to certain specifications covering grade and impurities content and consistent with the capability of the downstream refinery to process it further. Penalty schedules will reflect the increase in downstream converter costs due to the presence of high impurities content in the yellow cake product. Current specifications however vary depending on buyer. The potential deleterious elements in terms of final product are usually defined as defined as Th, V, Cl and Zr.
		• The pregnant leach solution (PLS) resulting from the heap leach contains the Uranium and other impurities dissolved during the leaching process. These are treated in the solvent exaction (SX) circuit comprising three steps: extraction, scrubbing and stripping. After extraction the scrubbing stage removes entrained iron, silica and other trace impurities from the organic solution before the final SX step of stripping, to minimize contamination of the final product. The current design includes three stages of scrubbing which is considered a conservative approach. The selected flowsheet is conventional practice in the Uranium industry and includes tested technology and as such no project risk is

Criteria		Commentary
		anticipated from potential deleterious impurities. Furthermore demonstration plant test work programs currently underway will soon advance to a stage where effective removal of impurities will be verified on an industrial scale. • A design for a Ripios (leach residue) dump was conducted during the DFS which was utilised as part of this study. The size of this dump will need to be increased to accommodate approximately 8% more process plant feed. In order to accommodate this, the waste rock dump immediately abutting the ripios dump was reduced in size to allow sufficient space for the extended ripios dump. AMEC Foster Wheeler reviewed the capital implications of this change during the capital cost re-estimation process which is included in this study.
• ***Environmental***	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• The project is located in the Namib-Naukluft National Park and close to tourist attractions, such as the Moon landscape. The current land use is conservation and eco-tourism. It is noted that a number of precedencies exist for uranium mining within the Namib-Nauklauft National Park, including the Langer Heinrich mine and the Husab uranium project currently under development. • Bannerman lodged an Environmental and Social Impact Assessment (ESIA) with the Namibian Ministry of Environment and Tourism for open pit mining and heap leach processing. Formal Environmental Clearance was received in July 2012 valid for three years. Application for renewal of the Environmental Clearance was lodged in July 2015. It is expected to be renewed in due course. Environmental clearance for the location and design of infrastructure ancillary to the Etango Project was granted by the Ministry of Environment and Tourism in February 2013 and is valid for three years, following which a renewal will be sought. • The project is located in an extremely arid region of the Namib Desert. Rainfall in the Namib Desert is highly variable and unpredictable, varying from 0mm/annum to approximately 100mm/annum. • Hydrological, hydrogeological and geochemical characterisations were conducted by external consultants as part of the DFS. Geochemical characterization of waste rock indicated that the waste is not potentially acid-forming and that there is no significant elemental enrichment in the leachate. • Natural groundwater within the Bannerman lease area is highly saline with various metalloid levels such as Al, As, B, Ba, Cd, Cr, Fe, Mn, Mo, Pb, Sb, Se, U and V exceeding WHO DWQG (2008). None of the natural ground water sources is fit for domestic, agricultural or livestock use. • Modelling of waste rock seepage is expected to blend in with the natural ground water in a 1:100 (seepage:groundwater) volumetric ratio and will, therefore, have little effect on the quality of the ground water. The ground water model indicates that seepage will migrate to the open pit; increasing as the pit deepens and the hydraulic gradient steepen.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Power for the Etango site will be fed by NamPower (the national power utility) from the 220 kV national grid through its substation located at Kuiseb. A 29km 132kV transmission line from the Kuiseb substation to the project site where a 132/33lV switchyard, transformer and 40MVA indoor substation will be installed. • Water for the Etango project will be supplied by NamWater. Regional water capacity comprise of 14 million m^3/annum from regional aquifers and 20 million m^3/annum from the Areva owned desalination plant. The Etango water scheme will comprise two pump stations. The above-ground pipe line will be 32 km long and 400mm in diameter. • The C28 gravel road from Swakopmund to Windhoek passes approximately 5km from the project. A 7km unsealed spur road will be constructed to link the existing road to the Etango site.

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		• The Etango project is located in close proximity (73km by road) to Namibia's largest port utilized by neighbouring uranium mines to export their product. • A number of regional towns are located close to the Etango project including Swakopmund and Walvis Bay and represent the regional hubs servicing the Namibian uranium mining industry.

Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.*
	• *The methodology used to estimate operating costs.*
	• *Allowances made for the content of deleterious elements.*
	• *The source of exchange rates used in the study.*
	• *Derivation of transportation charges.*
	• *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.*
	• *The allowances made for royalties payable, both Government and private.*
		• Capital costs for mining equipment were derived by request for tender (RFQ's) issued to major mobile mining equipment manufacturers which included manufacture, transport, insurance, assembly and commissioning costs. Equipment fleet size was determined from the mine schedule which incorporated haulage simulation in order to determine haulage fleet requirements.
		• Capital costs for the process plant and site infrastructure was updated from the DFS estimate by AMEC Foster Wheeler (AMEC) to an accuracy of ±20%. The costs were primarily updated by obtaining quotes for major pieces of equipment or by escalating the previous DFS estimate (for some of the smaller cost items) to 2015 costs. The estimate also included updates in bulk material costs, labour costs, freights rates, EPCM and accuracy provisions.
		• Mining operating costs were determined from first principles with the mine schedule determining quantities of consumables, equipment hours, utilities and labour.
		• The cost of mining consumables and operating costs of equipment was determined by RFQ to suppliers. Mobile equipment maintenance costs were derived from first principles from life cycle costing information provided by suppliers.
		• AMEC determined the operating costs of the process plant. The consumables and utility consumption rates remain unchanged from the DFS and AMEC updated the cost of reagents and consumables by RFQ to suppliers.
		• Water costs were based on the current water prices charged for desalinated water in the Erongo Region.
		• To reflect the prevailing rate of price escalation in electricity costs, current power costs was escalated at double the annual CPI rate until the end of the decade. This was then expressed in 2015 financial terms.
		• Labour costs were based on 2015 labour cost surveys conducted in Namibia.
		• Exchange rates assumed in the study were based on exchange rates prevailing in 2015 and include:
		    ○ 1USD:N$12.25
		    ○ 1USD:AUD1.28
		    ○ 1USD:€0.88
		    ○ 1USD:¥1.24
		• The average mining cost over the Life of Mine amounted to USD 1.69/t mined whilst the average plant processing cost over the Life of Mine was USD 6.79/t processed. Annual charges for overhead costs varied between USD 18.6 million per annum and USD 20 million per annum over the life of the project.
		• The resultant average unit production cost of uranium oxide was USD 38/lb U3O8 over the life of the project.

Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.*	• The head grade and U3O8 production was derived from the mine schedule. A four month lag was allowed from production revenue to account for the time taken to transport the product to the conversion facilities. The average head grade of the life of mine was 195 ppm U3O8. • This U3O8 price used for economic evaluation was USD 75/lb U3O8 in 2015 terms. The price was determined by calculating the average price forecast for U3O8 from a number of independent brokers.

Criteria		Commentary

	• *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Exchange rates assumed in the study were the exchange rates prevailing in 2015 and include:
		  ○ 1USD:N$12.25
		  ○ 1USD:AUD1.28
		  ○ 1USD:€0.88
		  ○ 1USD:¥1.24
		• The selling costs which include product transport, insurance and weighing and assaying charges at the converters were included as per the DFS assumptions at USD 1.1/lb U3O8.
		• The Namibian government currently levies a mining royalty of 3% on revenue (less allowable deductions) which has been included in the financial modelling.
		• A third party royalty (of 1.5% on revenue) to reflect the impact of the recently completed transaction with Resource Capital Fund (RCF) was included in the financial modelling.

Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• According to the World Nuclear Association, Uranium Oxide production in 2014 was 56.2kt U or 146Mlbs which represents a decline of 6% compared to 2013. Demand in 2014 was 65.9kt U or 171Mlbs. The supply deficit is currently being filled by secondary supplies including the sale of stockpiles. The demand is forecasted to exceed supply towards the end of the existing decade. • Various banking institutions and broking firms forecast the future uranium spot and long term contract prices which have been used by Bannerman in establishing its price expectations. Forecast spot prices range from approximately $65/lb to $80/lb.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• Discounted cash flow analysis was undertaken utilizing the capital cost, operating cost and revenue parameters as described above. A government tax rate of 37.5% was applied to the model. For the purpose discounted cash flow calculations a discount rate of 8% was utilized. Cash flow calculation was done in 2015 financial terms. • Sensitivity testing was conducted on a range of economic parameters. The project is most sensitive to the uranium price with a cash flow breakeven price (Revenue = Capital Costs + Operating Costs) occurring at ~USD 52/lb U_3O_8. • After the Uranium Price the project is most sensitive to changes in Operating cost with Mining Costs and Processing costs being almost equal in weighting. Capital costs are the next most sensitive cost parameter.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• There are no Native Title claims or equivalent over the EPL 3345 and therefor are no other land holders over the proposed mine site, and as such no land access agreements are required. There are privately owned small holdings elsewhere within the area of EPL 3345. However, these are not expected to be impacted by mining activities. • The proposed new Project access road will cross an existing tenement held by Reptile Uranium. A letter of 'in principle agreement' to allow construct of the road across this land has been received from Reptile Uranium, while an allowance has been included in the capital cost estimate for sterilisation drilling. • Extensive consultation with key stakeholders have been undertaken since 2008 including;

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		◦ newspaper adverts requesting comments on the project, ◦ public meetings (2008, 2009, 2010, 2011 and 2012) in the regional towns of Arandis, Swakopmund, Walvis Bay and the capital of Windhoek. ◦ meetings with regional and local government. ◦ focus group meetings (2008, 2009, 2010, 2011, 2012 and 2014) with Coastal Tourism Association of Namibia and/or neighbours. • The Etango Project enjoys local community support and is expected to have a significant positive impact on the Erongo Region and Namibian national economies, including local employment and skill training.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• The Etango project Exclusive Prospecting License (EPL) 3345 is held by the Namibian company Bannerman Mining Resources which manages the project. Bannerman owns 80% of Bannerman Mining Resources. • EPL 3345 was granted to Bannerman (previously known as Turgi Investments (PTY) Ltd) with effect from 27 April 2006 to explore for Nuclear Fuels. Renewals have been granted extending the tenure to 26 April 2015. An application for further renewal was lodged on 26 January 2015 and is expected to be renewed in due course. ◦ The delayed renewal is not deemed to be an issue as Regulation 71 (3) (a) from the Minerals (prospecting and Mining) Act (Act 33 of 1992) states "an exclusive prospecting licence shall not expire during a period during which an application for the renewal of such licence is being considered, until such application is refused or the application is withdrawn or has lapsed, whichever occurs first..." still applies. • Parts of EPL3345 were surrendered since initially granted and it is now 24 326 ha in size within which the project is located. • Qualitative risk assessment have been undertaken throughout the Etango project study phases, no material naturally occurring risks have been identified through the above mentioned risk management process.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• The Ore Reserves consist of 11% Proved Reserves and 89% Probable Reserves. The Proved Ore Reserves is a sub-set of Measured Mineral Resources, and the Probable Ore Reserve is derived from Indicated Mineral Resources. Inferred resources were treated as waste with no economic contribution to the project. • The Competent Person is satisfied that the stated Ore Reserve classification reflects the outcome of technical and economic studies. • No Measured Resources were downgraded to Probable Ore Reserves due to uncertainty in modifying factors.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• No external audits or reviews have been undertaken. • Aspects of the study was conducted by independent parties including: ◦ Resource Modelling completed by International Resource Solutions and reviewed by Optiro Pty Ltd. Optiro also conducted aspects of the resource modelling and classification. Ian Glacken of Optiro is acting as Competent Person for Mineral Resources. ◦ VBKom Namibia conducted mine planning activities which were reviewed by Bannerman Resources.

Criteria		Commentary
		○ AMEC Foster Wheeler reviewed the results of the demonstration plant trials. ○ AMEC Foster Wheeler developed operating cost and capital cost estimates for the process plant. ○ AMEC Foster Wheeler reviewed the Financial Modelling undertaken by Bannerman Resources.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Production activities for the Etango project have not yet commenced. As such, there are no production data available for the purposes of reconciliation. • The Mineral Resource Estimate has not been subject to rigorous assessment of accuracy and confidence using any numerical or probabilistic approach. Areas of potential uncertainty are the detailed morphology of the alaskite bodies and the degree to which the current volume may change upon infill drilling, and the continuity of the ASD zones, which have been assumed to be relatively discontinuous in this estimate. Grade confidence, as defined by grade continuity modelling is believed to be high. Data quality is high as reflected by the QAQC work. • The accuracy and confidence of modifying factors are generally consistent with feasibility level accuracy with many of the technical factors remaining unchanged from the previous Definitive Feasibility Study. The capital cost estimate updates for the fixed plant was done to an accuracy of ±20% which is consistent with a Pre-Feasibility study level of accuracy (typically -15% +25%).